

27 provisions relating to common interest community
28 parcels and appurtenances; amending s. 718.107, F.S.;
29 making an editorial change; amending ss. 718.108 and
30 718.1085, F.S.; conforming provisions to changes made
31 by the act; amending s. 718.109, F.S.; revising and
32 providing provisions relating to legal description of
33 common interest community parcels; amending s.
34 718.110, F.S.; revising and providing provisions
35 relating to amendment of documents; amending s.
36 718.111, F.S.; revising and providing provisions
37 relating to the common interest community association;
38 amending s. 718.112, F.S.; revising and providing
39 provisions relating to bylaws; amending s. 718.1124,
40 F.S.; conforming provisions to changes made by the
41 act; amending s. 718.113, F.S.; revising and providing
42 provisions relating to maintenance, limitation upon
43 improvement, display of flag, hurricane protection,
44 display of spiritual decorations, access ramps, window
45 decals, xeriscape, and mold and mildew; amending s.
46 718.114, F.S.; revising and providing provisions
47 relating to association powers; amending s. 718.115,
48 F.S.; revising and providing provisions relating to
49 common expenses and common surplus; amending s.
50 718.116, F.S.; revising and providing provisions
51 relating to assessments, liability, lien and priority,
52 interest, and collection; amending s. 718.117, F.S.;

53 deleting provisions relating to optional termination
54 of condominium; conforming provisions to changes made
55 by the act; amending s. 718.118, F.S.; conforming
56 provisions to changes made by the act; amending s.
57 718.119, F.S.; making an editorial change; amending s.
58 718.120, F.S.; revising and providing provisions
59 relating to separate taxation of parcels and survival
60 of declaration after tax sale; amending s. 718.121,
61 F.S.; revising and providing provisions relating to
62 liens; amending ss. 718.122, 718.1224, 718.123,
63 718.1232, 718.124, and 718.125, F.S.; conforming
64 provisions to changes made by the act; amending s.
65 718.1255, F.S.; revising provisions relating to
66 disputes involving election irregularities; amending
67 ss. 718.1256, 718.1265, and 718.127, F.S.; conforming
68 provisions to changes made by the act; transferring
69 and renumbering s. 719.114, F.S.; conforming
70 provisions to changes made by the act; amending ss.
71 718.202 and 718.203, F.S.; conforming provisions to
72 changes made by the act; amending s. 718.301, F.S.;
73 revising and providing provisions relating to transfer
74 of association control and claims of defect by
75 association; amending ss. 718.302, 718.3025, and
76 718.3026, F.S.; conforming provisions to changes made
77 by the act; amending s. 718.303, F.S.; revising and
78 providing provisions relating to obligations of owners

79 | and occupants and remedies; amending s. 718.401, F.S.;
80 | revising and providing provisions relating to
81 | leaseholds; amending ss. 718.4015, 718.402, 718.403,
82 | 718.404, 718.405, 718.406, 718.501, 718.5011, and
83 | 718.5012, F.S.; conforming provisions to changes made
84 | by the act; creating s. 718.50156, F.S.; creating the
85 | Community Association Living Study Council; providing
86 | for membership, duties, and meetings of the council;
87 | amending s. 718.502, F.S.; conforming provisions to
88 | changes made by the act; amending s. 718.503, F.S.;
89 | revising and providing provisions relating to
90 | developer disclosure prior to sale; amending s.
91 | 718.504, F.S.; revising and providing provisions
92 | relating to prospectus and offering circulars;
93 | amending ss. 718.506, 718.507, 718.508, 718.509,
94 | 718.604, and 718.606, F.S.; conforming provisions to
95 | changes made by the act; amending s. 718.608, F.S.;
96 | revising and providing provisions relating to notice
97 | of intended conversion; amending s. 718.616, F.S.;
98 | conforming provisions to changes made by the act;
99 | amending s. 718.618, F.S.; revising and providing
100 | provisions relating to converter reserve accounts and
101 | warranties; amending ss. 718.62, 718.621, 718.701,
102 | 718.702, 718.703, 718.704, 718.705, 718.706, and
103 | 718.707, F.S.; conforming provisions to changes made
104 | by the act; repealing part VII of chapter 718, F.S.,

105 relating to the Distressed Condominium Relief Act;
 106 repealing chapter 719, F.S., relating to cooperatives;
 107 repealing chapter 720, F.S., relating to homeowners'
 108 associations; amending ss. 721.03, 721.05, 721.07,
 109 721.08, 721.13, 721.14, 721.15, 721.16, 721.165,
 110 721.17, 721.20, 721.24, 721.26, 721.28, 721.301,
 111 721.82, 721.855, 721.86, 723.003, 723.006, 723.009,
 112 723.0611, 723.073, 723.0751, 723.078, 723.079,
 113 723.0791, 768.1325, and 849.0931, F.S.; conforming
 114 provisions to changes made by the act; conforming
 115 cross-references; making editorial changes; providing
 116 an effective date.

117
 118 Be It Enacted by the Legislature of the State of Florida:

119
 120 Section 1. Paragraph (e) of subsection (2) of section
 121 20.165, Florida Statutes, is amended to read:

122 20.165 Department of Business and Professional
 123 Regulation.—There is created a Department of Business and
 124 Professional Regulation.

125 (2) The following divisions of the Department of Business
 126 and Professional Regulation are established:

127 (e) Division of Common Interest Communities ~~Florida~~
 128 ~~Condominiums, Timeshares, and Mobile Homes.~~

129 Section 2. Paragraph (d) of subsection (1) of section
 130 34.01, Florida Statutes, is amended to read:

131 34.01 Jurisdiction of county court.—

132 (1) County courts shall have original jurisdiction:

133 (d) Of disputes occurring in the ~~homeowners'~~ associations
 134 as described in chapter 718 s. 720.311(2)(a), which shall be
 135 concurrent with jurisdiction of the circuit courts.

136 Section 3. Subsection (2) of section 73.073, Florida
 137 Statutes, is amended to read:

138 73.073 Eminent domain procedure with respect to
 139 condominium common elements.—

140 (2) With respect to the exercise of eminent domain or a
 141 negotiated sale for the purchase or taking of a portion of the
 142 common elements of a condominium, the condemning authority shall
 143 have the responsibility of contacting the condominium
 144 association and acquiring the most recent rolls indicating the
 145 names of the unit owners or contacting the appropriate taxing
 146 authority to obtain the names of the owners of record on the tax
 147 rolls. Notification shall be sent by certified mail, return
 148 receipt requested, to the unit owners of record of the
 149 condominium units by the condemning authority indicating the
 150 intent to purchase or take the required property and requesting
 151 a response from the unit owner. The condemning authority shall
 152 be responsible for the expense of sending notification pursuant
 153 to this section. Such notice shall, at a minimum, include:

154 (a) The name and address of the condemning authority.

155 (b) A written or visual description of the property.

156 (c) The public purpose for which the property is needed.

157 (d) The appraisal value of the property.

158 (e) A clear, concise statement relating to the unit
 159 owner's right to object to the taking or appraisal value and the
 160 procedures and effects of exercising that right.

161 (f) A clear, concise statement relating to the power of
 162 the association to convey the property on behalf of the unit
 163 owners if no objection to the taking or appraisal value is
 164 raised, and the effects of this alternative on the unit owner.

165
 166 The Division of Common Interest Communities Florida
 167 ~~Condominiums, Timeshares, and Mobile Homes~~ of the Department of
 168 Business and Professional Regulation may adopt, by rule, a
 169 standard form for such notice and may require the notice to
 170 include any additional relevant information.

171 Section 4. Paragraphs (b) and (e) of subsection (6) of
 172 section 192.037, Florida Statutes, are amended to read:

173 192.037 Fee timeshare real property; taxes and
 174 assessments; escrow.—

175 (6)

176 (b) If the managing entity is a common interest community
 177 ~~condominium~~ association subject to the provisions of chapter 718
 178 ~~or a cooperative association subject to the provisions of~~
 179 ~~chapter 719~~, the control of which has been turned over to owners
 180 other than the developer, the escrow account must be maintained
 181 by the association; otherwise, the escrow account must be placed
 182 with an independent escrow agent, who shall comply with the

183 provisions of chapter 721 relating to escrow agents.

184 (e) On or before May 1 of each year, a statement of
 185 receipts and disbursements of the escrow account must be filed
 186 with the Division of Common Interest Communities ~~Florida~~
 187 ~~Condominiums, Timeshares, and Mobile Homes~~ of the Department of
 188 Business and Professional Regulation, which may enforce this
 189 paragraph pursuant to s. 721.26. This statement must
 190 appropriately show the amount of principal and interest in such
 191 account.

192 Section 5. Subsection (6) of section 193.023, Florida
 193 Statutes, is amended to read:

194 193.023 Duties of the property appraiser in making
 195 assessments.—

196 (6) In making assessments of cooperative parcels, the
 197 property appraiser shall use the method required by s. 718.129
 198 ~~719.114~~.

199 Section 6. Paragraph (a) of subsection (1) of section
 200 194.181, Florida Statutes, is amended to read:

201 194.181 Parties to a tax suit.—

202 (1) The plaintiff in any tax suit shall be:

203 (a) The taxpayer or other person contesting the assessment
 204 of any tax, the payment of which he or she is responsible for
 205 under a statute or a person who is responsible for the entire
 206 tax payment pursuant to a contract and has the written consent
 207 of the property owner, or the common interest community
 208 ~~condominium association, cooperative association, or homeowners'~~

209 association as described ~~defined~~ in chapter 718 ~~s. 723.075~~ which
 210 operates the units subject to the assessment; or

211 Section 7. Subsection (2) of section 201.02, Florida
 212 Statutes, is amended to read:

213 201.02 Tax on deeds and other instruments relating to real
 214 property or interests in real property.—

215 (2) The tax imposed by subsection (1) shall also be
 216 payable upon documents by which the right is granted to a
 217 tenant-stockholder to occupy an apartment in a building owned by
 218 a cooperative apartment corporation or in a dwelling on real
 219 property owned by any other form of cooperative association ~~as~~
 220 ~~defined in s. 719.103.~~

221 Section 8. Paragraph (i) of subsection (8) of section
 222 213.053, Florida Statutes, is amended to read:

223 213.053 Confidentiality and information sharing.—

224 (8) Notwithstanding any other provision of this section,
 225 the department may provide:

226 (i) Information relative to chapters 212 and 326 to the
 227 Division of Common Interest Communities ~~Florida Condominiums,~~
 228 ~~Timeshares, and Mobile Homes~~ of the Department of Business and
 229 Professional Regulation in the conduct of its official duties.

230
 231 Disclosure of information under this subsection shall be
 232 pursuant to a written agreement between the executive director
 233 and the agency. Such agencies, governmental or nongovernmental,
 234 shall be bound by the same requirements of confidentiality as

235 the Department of Revenue. Breach of confidentiality is a
236 misdemeanor of the first degree, punishable as provided by s.
237 775.082 or s. 775.083.

238 Section 9. Paragraph (b) of subsection (2) and paragraph
239 (b) of subsection (3) of section 316.006, Florida Statutes, are
240 amended to read:

241 316.006 Jurisdiction.—Jurisdiction to control traffic is
242 vested as follows:

243 (2) MUNICIPALITIES.—

244 (b) A municipality may exercise jurisdiction over any
245 private road or roads, or over any limited access road or roads
246 owned or controlled by a special district, located within its
247 boundaries if the municipality and party or parties owning or
248 controlling such road or roads provide, by written agreement
249 approved by the governing body of the municipality, for
250 municipal traffic control jurisdiction over the road or roads
251 encompassed by such agreement. Pursuant thereto:

252 1. Provision for reimbursement for actual costs of traffic
253 control and enforcement and for liability insurance and
254 indemnification by the party or parties, and such other terms as
255 are mutually agreeable, may be included in such an agreement.

256 2. The exercise of jurisdiction provided for herein shall
257 be in addition to jurisdictional authority presently exercised
258 by municipalities under law, and nothing in this paragraph shall
259 be construed to limit or remove any such jurisdictional
260 authority. Such jurisdiction includes regulation of access to

261 such road or roads by security devices or personnel.

262 3. Any such agreement may provide for the installation of
 263 multiparty stop signs by the parties controlling the roads
 264 covered by the agreement if a determination is made by such
 265 parties that the signage will enhance traffic safety. Multiparty
 266 stop signs must conform to the manual and specifications of the
 267 Department of Transportation; however, minimum traffic volumes
 268 may not be required for the installation of such signage.
 269 Enforcement for the signs shall be as provided in s. 316.123.

270 4. The board of directors of a common interest community
 271 ~~homeowners'~~ association ~~as defined in chapter 720~~ may, by
 272 majority vote, elect to have state traffic laws enforced by
 273 local law enforcement agencies on private roads that are
 274 controlled by the association.

275
 276 This subsection shall not limit those counties which have the
 277 charter powers to provide and regulate arterial, toll, and other
 278 roads, bridges, tunnels, and related facilities from the proper
 279 exercise of those powers by the placement and maintenance of
 280 traffic control devices which conform to the manual and
 281 specifications of the Department of Transportation on streets
 282 and highways located within municipal boundaries.

283 (3) COUNTIES.—

284 (b) A county may exercise jurisdiction over any private
 285 road or roads, or over any limited access road or roads owned or
 286 controlled by a special district, located in the unincorporated

287 area within its boundaries if the county and party or parties
288 owning or controlling such road or roads provide, by written
289 agreement approved by the governing body of the county, for
290 county traffic control jurisdiction over the road or roads
291 encompassed by such agreement. Pursuant thereto:

292 1. Provision for reimbursement for actual costs of traffic
293 control and enforcement and for liability insurance and
294 indemnification by the party or parties, and such other terms as
295 are mutually agreeable, may be included in such an agreement.

296 2. Prior to entering into an agreement which provides for
297 enforcement of the traffic laws of the state over a private road
298 or roads, or over any limited access road or roads owned or
299 controlled by a special district, the governing body of the
300 county shall consult with the sheriff. No such agreement shall
301 take effect prior to October 1, the beginning of the county
302 fiscal year, unless this requirement is waived in writing by the
303 sheriff.

304 3. The exercise of jurisdiction provided for herein shall
305 be in addition to jurisdictional authority presently exercised
306 by counties under law, and nothing in this paragraph shall be
307 construed to limit or remove any such jurisdictional authority.

308 4. Any such agreement may provide for the installation of
309 multiparty stop signs by the parties controlling the roads
310 covered by the agreement if a determination is made by such
311 parties that the signage will enhance traffic safety. Multiparty
312 stop signs must conform to the manual and specifications of the

313 Department of Transportation; however, minimum traffic volumes
 314 may not be required for the installation of such signage.
 315 Enforcement for the signs shall be as provided in s. 316.123.

316 5. The board of directors of a common interest community
 317 ~~homeowners'~~ association ~~as defined in chapter 720~~ may, by
 318 majority vote, elect to have state traffic laws enforced by
 319 local law enforcement agencies on private roads that are
 320 controlled by the association.

321
 322 Notwithstanding the provisions of subsection (2), each county
 323 shall have original jurisdiction to regulate parking, by
 324 resolution of the board of county commissioners and the erection
 325 of signs conforming to the manual and specifications of the
 326 Department of Transportation, in parking areas located on
 327 property owned or leased by the county, whether or not such
 328 areas are located within the boundaries of chartered
 329 municipalities.

330 Section 10. Section 316.2127, Florida Statutes, is amended
 331 to read:

332 316.2127 Operation of utility vehicles on certain roadways
 333 by common interest community ~~homeowners'~~ associations.—The
 334 operation of a utility vehicle, as defined in s. 320.01, upon
 335 the public roads or streets of this state by a common interest
 336 community ~~homeowners'~~ association, ~~as defined in s. 720.301,~~ or
 337 its agents is prohibited except as provided herein:

338 (1) A utility vehicle may be operated by an ~~a~~ ~~homeowners'~~

339 association or its agents only upon a county road that has been
340 designated by a county, or a city street that has been
341 designated by a city, for use by a utility vehicle for general
342 maintenance, security, and landscaping purposes. Prior to making
343 such a designation, the responsible local governmental entity
344 must first determine that utility vehicles may safely travel on
345 or cross the public road or street, considering factors
346 including the speed, volume, and character of motor vehicle
347 traffic on the road or street. Upon a determination that utility
348 vehicles may be safely operated on a designated road or street,
349 the responsible governmental entity shall post appropriate signs
350 to indicate that such operation is allowed.

351 (2) A utility vehicle may be operated by an ~~a homeowners'~~
352 association or its agents on a portion of the State Highway
353 System only under the following conditions:

354 (a) To cross a portion of the State Highway System which
355 intersects a county road or a city street that has been
356 designated for use by utility vehicles if the Department of
357 Transportation has reviewed and approved the location and design
358 of the crossing and any traffic control devices needed for
359 safety purposes.

360 (b) To cross, at midblock, a portion of the State Highway
361 System where the highway bisects property controlled or
362 maintained by an ~~a homeowners'~~ association if the Department of
363 Transportation has reviewed and approved the location and design
364 of the crossing and any traffic control devices needed for

365 safety purposes.

366 (c) To travel on a state road that has been designated for
367 transfer to a local government unit pursuant to s. 335.0415 if
368 the Department of Transportation determines that the operation
369 of a utility vehicle within the right-of-way of the road will
370 not impede the safe and efficient flow of motor vehicle traffic.
371 The department may authorize the operation of utility vehicles
372 on such a road if:

373 1. The road is the only available public road on which
374 utility vehicles may travel or cross or the road provides the
375 safest travel route among alternative routes available; and

376 2. The speed, volume, and character of motor vehicle
377 traffic on the road is considered in making such a
378 determination.

379
380 Upon its determination that utility vehicles may be operated on
381 a given road, the department shall post appropriate signs on the
382 road to indicate that such operation is allowed.

383 (3) A utility vehicle may be operated by a homeowners'
384 association or its agents only during the hours between sunrise
385 and sunset, unless the responsible governmental entity has
386 determined that a utility vehicle may be operated during the
387 hours between sunset and sunrise and the utility vehicle is
388 equipped with headlights, brake lights, turn signals, and a
389 windshield.

390 (4) A utility vehicle must be equipped with efficient

391 brakes, a reliable steering apparatus, safe tires, a rearview
 392 mirror, and red reflectorized warning devices in both the front
 393 and the rear.

394 (5) A utility vehicle may not be operated on public roads
 395 or streets by any person under the age of 14.

396
 397 A violation of this section is a noncriminal traffic infraction,
 398 punishable pursuant to chapter 318 as either a moving violation
 399 for infractions of subsection (1), subsection (2), subsection
 400 (3), or subsection (4) or as a nonmoving violation for
 401 infractions of subsection (5).

402 Section 11. Subsection (2) of section 326.002, Florida
 403 Statutes, is amended to read:

404 326.002 Definitions.—As used in ss. 326.001-326.006, the
 405 term:

406 (2) "Division" means the Division of Common Interest
 407 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes~~
 408 of the Department of Business and Professional Regulation.

409 Section 12. Paragraph (d) of subsection (2) and subsection
 410 (3) of section 326.006, Florida Statutes, are amended to read:

411 326.006 Powers and duties of division.—

412 (2) The division has the power to enforce and ensure
 413 compliance with the provisions of this chapter and rules adopted
 414 under this chapter relating to the sale and ownership of yachts
 415 and ships. In performing its duties, the division has the
 416 following powers and duties:

417 (d) Notwithstanding any remedies available to a yacht or
 418 ship purchaser, if the division has reasonable cause to believe
 419 that a violation of any provision of this chapter or rule
 420 adopted under this chapter has occurred, the division may
 421 institute enforcement proceedings in its own name against any
 422 broker or salesperson or any of his or her assignees or agents,
 423 or against any unlicensed person or any of his or her assignees
 424 or agents, as follows:

425 1. The division may permit a person whose conduct or
 426 actions are under investigation to waive formal proceedings and
 427 enter into a consent proceeding whereby orders, rules, or
 428 letters of censure or warning, whether formal or informal, may
 429 be entered against the person.

430 2. The division may issue an order requiring the broker or
 431 salesperson or any of his or her assignees or agents, or
 432 requiring any unlicensed person or any of his or her assignees
 433 or agents, to cease and desist from the unlawful practice and
 434 take such affirmative action as in the judgment of the division
 435 will carry out the purposes of this chapter.

436 3. The division may bring an action in circuit court on
 437 behalf of a class of yacht or ship purchasers for declaratory
 438 relief, injunctive relief, or restitution.

439 4. The division may impose a civil penalty against a
 440 broker or salesperson or any of his or her assignees or agents,
 441 or against an unlicensed person or any of his or her assignees
 442 or agents, for any violation of this chapter or a rule adopted

443 under this chapter. A penalty may be imposed for each day of
444 continuing violation, but in no event may the penalty for any
445 offense exceed \$10,000. All amounts collected must be deposited
446 with the Chief Financial Officer to the credit of the Division
447 of Common Interest Communities ~~Florida Condominiums, Timeshares,~~
448 ~~and Mobile Homes~~ Trust Fund. If a broker, salesperson, or
449 unlicensed person working for a broker, fails to pay the civil
450 penalty, the division shall issue an order suspending the
451 broker's license until such time as the civil penalty is paid or
452 may pursue enforcement of the penalty in a court of competent
453 jurisdiction. The order imposing the civil penalty or the order
454 of suspension may not become effective until 20 days after the
455 date of such order. Any action commenced by the division must be
456 brought in the county in which the division has its executive
457 offices or in the county where the violation occurred.

458 (3) All fees must be deposited in the Division of Common
459 Interest Communities ~~Florida Condominiums, Timeshares, and~~
460 ~~Mobile Homes~~ Trust Fund as provided by law.

461 Section 13. Paragraph (b) of subsection (7) of section
462 373.62, Florida Statutes, is amended to read:

463 373.62 Water conservation; automatic sprinkler systems.—

464 (7)

465 (b) For purposes of this subsection, the term:

466 1. "Monitoring entity" means a local government, community
467 development district created pursuant to chapter 190, ~~a~~
468 ~~homeowners' association created pursuant to chapter 720, a~~

469 common interest community ~~condominium~~ association created
470 pursuant to chapter 718, ~~a cooperative created pursuant to~~
471 ~~chapter 719,~~ or a public or private utility.

472 2. "Soil moisture sensor" means a soil-based device that
473 assesses the available plant soil moisture in order to minimize
474 the unnecessary use of water and optimize the effectiveness of
475 an irrigation system.

476 3. "Soil moisture sensor control system" is the collective
477 term for an entire soil moisture sensor system that has remote
478 monitoring and adjustment capability.

479 Section 14. Paragraph (a) of subsection (4) of section
480 380.0651, Florida Statutes, is amended to read:

481 380.0651 Statewide guidelines and standards.—

482 (4) Two or more developments, represented by their owners
483 or developers to be separate developments, shall be aggregated
484 and treated as a single development under this chapter when they
485 are determined to be part of a unified plan of development and
486 are physically proximate to one other.

487 (a) The criteria of three of the following subparagraphs
488 must be met in order for the state land planning agency to
489 determine that there is a unified plan of development:

490 1.a. The same person has retained or shared control of the
491 developments;

492 b. The same person has ownership or a significant legal or
493 equitable interest in the developments; or

494 c. There is common management of the developments

495 controlling the form of physical development or disposition of
496 parcels of the development.

497 2. There is a reasonable closeness in time between the
498 completion of 80 percent or less of one development and the
499 submission to a governmental agency of a master plan or series
500 of plans or drawings for the other development which is
501 indicative of a common development effort.

502 3. A master plan or series of plans or drawings exists
503 covering the developments sought to be aggregated which have
504 been submitted to a local general-purpose government, water
505 management district, the Florida Department of Environmental
506 Protection, or the Division of Common Interest Communities
507 ~~Florida Condominiums, Timeshares, and Mobile Homes~~ for
508 authorization to commence development. The existence or
509 implementation of a utility's master utility plan required by
510 the Public Service Commission or general-purpose local
511 government or a master drainage plan shall not be the sole
512 determinant of the existence of a master plan.

513 4. There is a common advertising scheme or promotional
514 plan in effect for the developments sought to be aggregated.

515 Section 15. Subsection (3) of section 418.22, Florida
516 Statutes, is amended to read:

517 418.22 Powers of recreation districts.—The charter of a
518 recreation district may grant to the recreation district the
519 following powers and all further or additional powers as the
520 governing body of the municipality or county establishing the

521 district may deem necessary or useful in order to exercise the
522 powers for which provision is hereinafter made. The powers which
523 may be granted by such charter include the following:

524 (3) To acquire, purchase, construct, improve, and equip
525 recreational facilities of all types, including real and
526 personal property, within the boundaries of the district; such
527 acquisition may be by purchase, lease, gift, or exercise of the
528 power of eminent domain. If the governing body of the
529 municipality or county that created the recreation district for
530 exclusive use by a common interest community ~~condominium~~
531 established under chapter 718 ~~or a cooperative established under~~
532 ~~chapter 719~~ makes the finding described in s. 418.24(4), the
533 governing body of the district may make the recreational
534 facilities available exclusively for district residents and
535 property owners, and may restrict any access to recreational
536 facilities by nonresidents by rules adopted by the governing
537 body of the district. Prior to any vote of the electors in the
538 district adopting or amending a charter pursuant to s. 418.20,
539 the governing body shall decide whether the criteria in s.
540 418.24(4) apply and whether the recreation district shall be
541 available exclusively for the district residents. The recreation
542 district may construct and maintain security buildings and other
543 structures needed to regulate access to, and provide security
544 for, the recreational facilities.

545 Section 16. Subsection (5) of section 455.116, Florida
546 Statutes, is amended to read:

547 455.116 Regulation trust funds.—The following trust funds
 548 shall be placed in the department:

549 (5) Division of Common Interest Communities Florida
 550 ~~Condominiums, Timeshares, and Mobile Homes~~ Trust Fund.

551 Section 17. Subsection (2) of section 468.436, Florida
 552 Statutes, is amended to read:

553 468.436 Disciplinary proceedings.—

554 (2) The following acts constitute grounds for which the
 555 disciplinary actions in subsection (4) may be taken:

556 (a) Violation of any provision of s. 455.227(1).

557 (b)1. Violation of any provision of this part.

558 2. Violation of any lawful order or rule rendered or
 559 adopted by the department or the council.

560 3. Being convicted of or pleading nolo contendere to a
 561 felony in any court in the United States.

562 4. Obtaining a license or certification or any other
 563 order, ruling, or authorization by means of fraud,
 564 misrepresentation, or concealment of material facts.

565 5. Committing acts of gross misconduct or gross negligence
 566 in connection with the profession.

567 6. Contracting, on behalf of an association, with any
 568 entity in which the licensee has a financial interest that is
 569 not disclosed.

570 7. Violating any provision of chapter 718, ~~chapter 719, or~~
 571 ~~chapter 720~~ during the course of performing community
 572 association management services pursuant to a contract with a

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573 community association as defined in s. 468.431(1).

574 Section 18. Section 475.455, Florida Statutes, is amended
575 to read:

576 475.455 Exchange of disciplinary information.—The
577 commission shall inform the Division of Common Interest
578 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes~~
579 of the department ~~of Business and Professional Regulation~~ of any
580 disciplinary action the commission has taken against any of its
581 licensees. The division shall inform the commission of any
582 disciplinary action the division has taken against any broker or
583 sales associate registered with the division.

584 Section 19. Section 509.512, Florida Statutes, is amended
585 to read:

586 509.512 Timeshare plan developer and exchange company
587 exemption.—Sections 509.501-509.511 do not apply to a developer
588 of a timeshare plan or an exchange company approved by the
589 Division of Common Interest Communities ~~Florida Condominiums,~~
590 ~~Timeshares, and Mobile Homes~~ pursuant to chapter 721, but only
591 to the extent that the developer or exchange company engages in
592 conduct regulated under chapter 721.

593 Section 20. Subsection (2) of section 558.002, Florida
594 Statutes, is amended to read:

595 558.002 Definitions.—As used in this chapter, the term:

596 (2) "Association" has the same meaning as in s.
597 718.103(2), ~~s. 719.103(2), s. 720.301(9), or s. 723.075.~~

598 Section 21. Paragraph (h) of subsection (1) of section

599 559.935, Florida Statutes, is amended to read:

600 559.935 Exemptions.—

601 (1) This part does not apply to:

602 (h) A developer of a timeshare plan or an exchange company
 603 approved by the Division of Common Interest Communities ~~Florida~~
 604 ~~Condominiums, Timeshares, and Mobile Homes~~ pursuant to chapter
 605 721, but only to the extent that the developer or exchange
 606 company engages in conduct regulated under chapter 721; or

607 Section 22. Subsection (13) of section 617.01401, Florida
 608 Statutes, is amended to read:

609 617.01401 Definitions.—As used in this chapter, the term:

610 (13) "Mutual benefit corporation" means a domestic
 611 corporation that is not organized primarily or exclusively for
 612 religious purposes; is not recognized as exempt under s.
 613 501(c)(3) of the Internal Revenue Code; and is not organized for
 614 a public or charitable purpose that is required upon its
 615 dissolution to distribute its assets to the United States, a
 616 state, a local subdivision thereof, or a person that is
 617 recognized as exempt under s. 501(c)(3) of the Internal Revenue
 618 Code. The term does not include an association organized under
 619 chapter 718, ~~chapter 719, chapter 720,~~ or chapter 721, or any
 620 corporation where membership in the corporation is required
 621 pursuant to a document recorded in county property records.

622 Section 23. Subsection (5) of section 617.0505, Florida
 623 Statutes, is amended to read:

624 617.0505 Distributions; exceptions.—Except as authorized

625 in s. 617.1302, a corporation may not make distributions to its
626 members, directors, or officers.

627 (5) A corporation that is regulated by chapter 718~~7~~
628 ~~chapter 719, chapter 720,~~ chapter 721, or chapter 723, or a
629 corporation where membership in such corporation is required
630 pursuant to a document recorded in the county property records,
631 may make refunds to its members, giving credits to its members,
632 disbursing insurance proceeds to its members, or disbursing or
633 paying settlements to its members without violating this
634 section.

635 Section 24. Paragraph (c) of subsection (1) and subsection
636 (6) of section 617.0601, Florida Statutes, are amended to read:

637 617.0601 Members, generally.—

638 (1)

639 (c) This subsection does not apply to any common interest
640 community condominium association organized under chapter 718.

641 (6) Subsections (1), (2), (3), and (4) do not apply to a
642 corporation that is an association as defined in s. 718.103(2)
643 ~~720.301~~.

644 Section 25. Subsection (6) of section 617.0701, Florida
645 Statutes, is amended to read:

646 617.0701 Meetings of members, generally; failure to hold
647 annual meeting; special meeting; consent to corporate actions
648 without meetings; waiver of notice of meetings.—

649 (6) Subsections (1) and (3) do not apply to any
650 corporation that is an association as defined in s. 718.103(2)

651 ~~720.301~~; a corporation regulated by chapter 718, ~~chapter 719,~~
652 ~~chapter 720,~~ chapter 721, or chapter 723; or a corporation where
653 membership in such corporation is required pursuant to a
654 document recorded in the county property records.

655 Section 26. Subsection (7) of section 617.0721, Florida
656 Statutes, is amended to read:

657 617.0721 Voting by members.—

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

661 Section 27. Subsection (1) of section 617.0802, Florida
662 Statutes, is amended to read:

663 617.0802 Qualifications of directors.—

664 (1) Directors must be natural persons who are 18 years of
665 age or older but need not be residents of this state or members
666 of the corporation unless the articles of incorporation or
667 bylaws so require. For a corporation organized according to the
668 provisions of s. 501(c)(3) of the Internal Revenue Code of 1986,
669 as amended, but not for a corporation regulated by chapter 718,
670 ~~chapter 719, chapter 720,~~ chapter 721, or chapter 723 or a
671 corporation for which membership in such corporation is required
672 pursuant to a document recorded in the county property records,
673 one director may be 15 years of age or older if so permitted in
674 the articles of incorporation or bylaws or by resolution of the
675 board of directors. The articles of incorporation or the bylaws
676 may prescribe additional qualifications for directors.

677
678 Section 28. Subsection (3) of section 617.0808, Florida
679 Statutes, is amended to read:

680 617.0808 Removal of directors.—

681 (3) This section does not apply to any corporation that is
682 an association, as defined in s. 718.103(2) ~~720.301~~, or a
683 corporation regulated under chapter 718 ~~or chapter 719~~.

684 Section 29. Section 617.0831, Florida Statutes, is amended
685 to read:

686 617.0831 Indemnification and liability of officers,
687 directors, employees, and agents.—Except as provided in s.
688 617.0834, ss. 607.0831 and 607.0850 apply to a corporation
689 organized under this act and a rural electric cooperative
690 organized under chapter 425. Any reference to "directors" in
691 those sections includes the directors, managers, or trustees of
692 a corporation organized under this act or of a rural electric
693 cooperative organized under chapter 425. However, the term
694 "director" as used in ss. 607.0831 and 607.0850 does not include
695 a director appointed by the developer to the board of directors
696 of a common interest community ~~condominium~~ association under
697 chapter 718, ~~a cooperative association under chapter 719, a~~
698 ~~homeowners' association defined in s. 720.301,~~ or a timeshare
699 managing entity under chapter 721. Any reference to
700 "shareholders" in those sections includes members of a
701 corporation organized under this act and members of a rural
702 electric cooperative organized under chapter 425.

703 Section 30. Section 617.1606, Florida Statutes, is amended
 704 to read:

705 617.1606 Access to records.—Sections 617.1601–617.1605 do
 706 not apply to a corporation that is an association, as defined in
 707 s. 718.103(2) ~~720.301~~, or a corporation regulated under chapter
 708 718 ~~or chapter 719~~.

709 Section 31. Section 617.1703, Florida Statutes, is amended
 710 to read:

711 617.1703 Application of chapter.—In the event of any
 712 conflict between the provisions of this chapter and chapter 718
 713 regarding common interest communities ~~condominiums, chapter 719~~
 714 ~~regarding cooperatives, chapter 720 regarding homeowners'~~
 715 ~~associations~~, chapter 721 regarding timeshares, or chapter 723
 716 regarding mobile home owners' associations, the provisions of
 717 such other chapters shall apply. The provisions of ss. 617.0605–
 718 617.0608 do not apply to corporations regulated by any of the
 719 foregoing chapters or to any other corporation where membership
 720 in the corporation is required pursuant to a document recorded
 721 in the county property records.

722 Section 32. Paragraph (a) of subsection (2) of section
 723 624.462, Florida Statutes, is amended to read:

724 624.462 Commercial self-insurance funds.—

725 (2) As used in ss. 624.460–624.488, "commercial self-
 726 insurance fund" or "fund" means a group of members, operating
 727 individually and collectively through a trust or corporation,
 728 that must be:

729 (a) Established by:

730 1. A not-for-profit trade association, industry

731 association, or professional association of employers or

732 professionals which has a constitution or bylaws, which is

733 incorporated under the laws of this state, and which has been

734 organized for purposes other than that of obtaining or providing

735 insurance and operated in good faith for a continuous period of

736 1 year;

737 2. A self-insurance trust fund organized pursuant to s.

738 627.357 and maintained in good faith for a continuous period of

739 1 year for purposes other than that of obtaining or providing

740 insurance pursuant to this section. Each member of a commercial

741 self-insurance trust fund established pursuant to this

742 subsection must maintain membership in the self-insurance trust

743 fund organized pursuant to s. 627.357;

744 3. A group of 10 or more health care providers, as defined

745 in s. 627.351(4)(h), for purposes of providing medical

746 malpractice coverage; or

747 4. A not-for-profit group comprised of one or more

748 community associations responsible for operating at least 50

749 residential parcels or units created and operating under chapter

750 718, ~~chapter 719, chapter 720,~~ chapter 721, or chapter 723 which

751 restricts its membership to community associations only and

752 which has been organized and maintained in good faith for the

753 purpose of pooling and spreading the liabilities of its group

754 members relating to property or casualty risk or surety

755 insurance which, in accordance with applicable provisions of
 756 part I of chapter 626, appoints resident general lines agents
 757 only, and which does not prevent, impede, or restrict any
 758 applicant or fund participant from maintaining or selecting an
 759 agent of choice. The fund may not refuse to appoint the agent of
 760 record for any fund applicant or fund member and may not favor
 761 one or more such appointed agents over other appointed agents.

762 Section 33. Paragraph (c) of subsection (2) of section
 763 689.28, Florida Statutes, is amended to read:

764 689.28 Prohibition against transfer fee covenants.—

765 (2) DEFINITIONS.—As used in this section, the term:

766 (c) "Transfer fee" means a fee or charge required by a
 767 transfer fee covenant and payable upon the transfer of an
 768 interest in real property, or payable for the right to make or
 769 accept such transfer, regardless of whether the fee or charge is
 770 a fixed amount or is determined as a percentage of the value of
 771 the property, the purchase price, or other consideration given
 772 for the transfer. The following are not transfer fees for
 773 purposes of this section:

774 1. Any consideration payable by the grantee to the grantor
 775 for the interest in real property being transferred, including
 776 any subsequent additional consideration for the property payable
 777 by the grantee based upon any subsequent appreciation,
 778 development, or sale of the property. For the purposes of this
 779 subparagraph, an interest in real property may include a
 780 separate mineral estate and its appurtenant surface access

781 rights.

782 2. Any commission payable to a licensed real estate broker
783 for the transfer of real property pursuant to an agreement
784 between the broker and the grantor or the grantee, including any
785 subsequent additional commission for that transfer payable by
786 the grantor or the grantee based upon any subsequent
787 appreciation, development, or sale of the property.

788 3. Any interest, charges, fees, or other amounts payable
789 by a borrower to a lender pursuant to a loan secured by a
790 mortgage against real property, including, but not limited to,
791 any fee payable to the lender for consenting to an assumption of
792 the loan or a transfer of the real property subject to the
793 mortgage, any fees or charges payable to the lender for estoppel
794 letters or certificates, and any shared appreciation interest or
795 profit participation or other consideration described in s.
796 687.03(4) and payable to the lender in connection with the loan.

797 4. Any rent, reimbursement, charge, fee, or other amount
798 payable by a lessee to a lessor under a lease, including, but
799 not limited to, any fee payable to the lessor for consenting to
800 an assignment, subletting, encumbrance, or transfer of the
801 lease.

802 5. Any consideration payable to the holder of an option to
803 purchase an interest in real property or the holder of a right
804 of first refusal or first offer to purchase an interest in real
805 property for waiving, releasing, or not exercising the option or
806 right upon the transfer of the property to another person.

807 6. Any tax, fee, charge, assessment, fine, or other amount
808 payable to or imposed by a governmental authority.

809 7. Any fee, charge, assessment, fine, or other amount
810 payable to a homeowners', condominium, cooperative, mobile home,
811 or property owners' association pursuant to a declaration or
812 covenant or law applicable to such association, including, but
813 not limited to, fees or charges payable for estoppel letters or
814 certificates issued by the association or its authorized agent.

815 8. Any fee, charge, assessment, dues, contribution, or
816 other amount imposed by a declaration or covenant encumbering
817 four or more parcels in a community, ~~as defined in s. 720.301,~~
818 and payable to a nonprofit or charitable organization for the
819 purpose of supporting cultural, educational, charitable,
820 recreational, environmental, conservation, or other similar
821 activities benefiting the community that is subject to the
822 declaration or covenant.

823 9. Any fee, charge, assessment, dues, contribution, or
824 other amount pertaining to the purchase or transfer of a club
825 membership relating to real property owned by the member,
826 including, but not limited to, any amount determined by
827 reference to the value, purchase price, or other consideration
828 given for the transfer of the real property.

829 10. Any payment required pursuant to an environmental
830 covenant.

831 Section 34. Section 702.09, Florida Statutes, is amended
832 to read:

833 702.09 Definitions.—For the purposes of ss. 702.07 and
 834 702.08 the words "decree of foreclosure" shall include a
 835 judgment or order rendered or passed in the foreclosure
 836 proceedings in which the decree of foreclosure shall be
 837 rescinded, vacated, and set aside; the word "mortgage" shall
 838 mean any written instrument securing the payment of money or
 839 advances and includes liens to secure payment of assessments
 840 arising under chapter ~~chapters~~ 718 and ~~719~~ and liens created
 841 pursuant to the recorded covenants of a homeowners' association
 842 as defined in s. 712.01; the word "debt" shall include
 843 promissory notes, bonds, and all other written obligations given
 844 for the payment of money; the words "foreclosure proceedings"
 845 shall embrace every action in the circuit or county courts of
 846 this state wherein it is sought to foreclose a mortgage and sell
 847 the property covered by the same; and the word "property" shall
 848 mean and include both real and personal property.

849 Section 35. Subsection (4) of section 712.01, Florida
 850 Statutes, is amended to read:

851 712.01 Definitions.—As used in this law:

852 (4) The term "homeowners' association" means a homeowners'
 853 association ~~as defined in s. 720.301,~~ or an association of
 854 parcel owners which is authorized to enforce use restrictions
 855 that are imposed on the parcels.

856 Section 36. Section 712.11, Florida Statutes, is amended
 857 to read:

858 712.11 Covenant revitalization.—A homeowners' association

859 not otherwise subject to chapter 718 ~~720~~ may use the procedures
 860 set forth in that chapter ~~ss. 720.403-720.407~~ to revive
 861 covenants that have lapsed under the terms of this chapter.

862 Section 37. Section 718.101, Florida Statutes, is amended
 863 to read:

864 718.101 Short title.—This chapter shall be known and may
 865 be cited as the "Common Interest Community ~~Condominium~~ Act."

866 Section 38. Section 718.102, Florida Statutes, is amended
 867 to read:

868 718.102 Purposes.—The purpose of this chapter is to:

869 (1) ~~To~~ Give statutory recognition to the common interest
 870 community condominium form of ownership of residential real
 871 property and to the entities that operate common interest
 872 communities.

873 (2) ~~To~~ Establish procedures for the creation, sale, and
 874 operation of parcels, interests, and units in common interest
 875 communities, including condominiums, homeowner parcels, and
 876 cooperative units, and for the operation of common interest
 877 community associations.

878 (3) Protect the rights of common interest community
 879 association members without unduly impairing the association's
 880 ability to perform its functions.

881 (4) Clarify existing law, and correct unconscionable
 882 conditions and policies against the public interest, relating to
 883 common interest communities existing on or after the effective
 884 date of this act.

885
886 All common interest communities previously subject to chapters
887 719 and 720 (2014) are hereby transferred to the jurisdiction of
888 this chapter. Every common interest community ~~condominium~~
889 created and existing in this state shall be subject to the
890 provisions of this chapter.

891 Section 39. Section 718.103, Florida Statutes, is amended
892 to read:

893 718.103 Definitions.—As used in this chapter, the term:

894 (1) "Assessment" means a share of the funds that ~~which~~ are
895 required for the payment of common expenses, which from time to
896 time is assessed against the unit owner.

897 (2) "Association" means an, ~~in addition to any~~ entity
898 created to manage a responsible for the operation of common
899 interest community in which membership is a condition of
900 ownership of a unit or parcel in a planned development, a lot
901 for a home or mobile home, or a unit that is part of a
902 residential development scheme; authorized to impose a fee
903 necessary for the operation or maintenance of the common
904 ownership real property; and ~~elements owned in undivided shares~~
905 ~~by unit owners, any entity which operates or maintains other~~
906 ~~real property in which unit owners have use rights, where~~
907 membership ~~in the entity~~ is composed exclusively of unit owners
908 or their elected or appointed representatives and is a required
909 condition of unit ownership.

910 (3) "Association property" means that property, real and

911 personal, that ~~which~~ is owned or leased by, or is dedicated by a
912 recorded plat to, the association for the use and benefit of its
913 members.

914 (4) "Board of administration" or "board" means the board
915 of directors or other representative body ~~which is~~ responsible
916 for administration of the association.

917 (5) "Buyer" means a person who purchases a common interest
918 community condominium unit. The term "purchaser" may be used
919 interchangeably with the term "buyer."

920 (6) "Bylaws" means the bylaws of the association as they
921 are amended from time to time.

922 (7) "Committee" means a group of board members, unit
923 owners, or board members and unit owners appointed by the board
924 or a member of the board to make recommendations to the board
925 regarding the proposed annual budget or to take action on behalf
926 of the board.

927 (8) "Common elements" or "common property" means the
928 property portions of an identical or similar kind held by the
929 individual owners as appurtenances to the individually owned
930 lots or units and condominium property not included in the
931 units.

932 (9) "Common expenses" means all expenses properly incurred
933 by the association in the performance of its duties, including
934 expenses specified in s. 718.115.

935 (10) "Common interest community" or "CIC" means a real
936 estate development or neighborhood in which individually owned

937 lots, units, or leaseholds are burdened by an obligation that
 938 cannot be avoided by nonuse or withdrawal. The term also means
 939 property that is owned in conjunction with others that agree to
 940 a form of governance and responsibility:

941 (a) To pay for the use of, or contribute to the
 942 maintenance of, property held or enjoined in common by the
 943 individual owners;

944 (b) To pay fees or assessments to an association that
 945 provides services or facilities to the common property or to the
 946 individually owned property, or that enforces other obligations
 947 burdening the property in the development or neighborhood;

948 (c) To abide by a set of governing documents that create
 949 rights and responsibilities through covenants, restrictions, or
 950 other proprietary instruments;

951 (d) To automatically become members of the community
 952 association when they purchase or become shareholders in
 953 property defined in the documents; or

954 (e) To have an undivided ownership interest in the
 955 property.

956 (11)-(13) "Common interest community ~~Condominium~~ property"
 957 means the lands, leaseholds, and personal property that are
 958 subjected to common interest community ~~condominium~~ ownership,
 959 whether or not contiguous, and all improvements thereon and all
 960 easements and rights appurtenant thereto intended for use in
 961 connection with the common interest community ~~condominium~~.

962 (12)-(10) "Common surplus" means the amount of ~~all~~ receipts

963 or revenues, including assessments, rents, or profits, collected
964 by a common interest community ~~condominium~~ association which
965 exceeds common expenses.

966 ~~(11) "Condominium" means that form of ownership of real~~
967 ~~property created pursuant to this chapter, which is comprised~~
968 ~~entirely of units that may be owned by one or more persons, and~~
969 ~~in which there is, appurtenant to each unit, an undivided share~~
970 ~~in common elements.~~

971 ~~(12) "Condominium parcel" means a unit, together with the~~
972 ~~undivided share in the common elements appurtenant to the unit.~~

973 (13) "Community association manager" or "CAM" means a
974 person licensed pursuant to part VIII of chapter 468 to perform
975 community association management services.

976 (14) "Conspicuous type" means bold type in capital letters
977 no smaller than the largest type, exclusive of headings, on the
978 page on which it appears and, in all cases, at least 10-point
979 type. Where conspicuous type is required, it must be separated
980 on all sides from other type and print. Conspicuous type may be
981 used in a contract for purchase and sale of a unit, a lease of a
982 unit for more than 5 years, or a prospectus or offering circular
983 only where required by law.

984 (15) "Declaration", ~~or~~ "declaration of common interest
985 communities, condominium" "declaration of covenants and
986 restrictions," "proprietary lease," "declaration of common
987 interest communities," or any similar term means the instrument
988 or instruments by which a common interest community ~~condominium~~

989 is created, as they are from time to time amended and used in
 990 this chapter.

991 (16) "Developer" means a person who creates a common
 992 interest community ~~condominium~~ or offers common interest
 993 community ~~condominium~~ parcels for sale or lease in the ordinary
 994 course of business, but does not include:

995 (a) An owner or lessee of a common interest community
 996 ~~condominium~~ or cooperative unit who has acquired the unit for
 997 his or her own occupancy;

998 (b) A cooperative association that creates a common
 999 interest community ~~condominium~~ by conversion of an existing
 1000 residential cooperative after control of the association has
 1001 been transferred to the unit owners if, following the
 1002 conversion, the unit owners are the same persons who were unit
 1003 owners of the cooperative and no units are offered for sale or
 1004 lease to the public as part of the plan of conversion; or

1005 ~~(c) A bulk assignee or bulk buyer as defined in s.~~
 1006 ~~718.703; or~~

1007 (c)(d) A state, county, or municipal entity acting as a
 1008 lessor and not otherwise named as a developer in the declaration
 1009 of common interest community ~~condominium~~.

1010 (17) "Division" means the Division of Common Interest
 1011 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes~~
 1012 of the Department of Business and Professional Regulation.

1013 (18) "Governing documents" or "documents" means the
 1014 declaration and other recorded documents, including the articles

1015 of incorporation, bylaws, and rules and regulations that govern
 1016 the operation of a common interest community association or
 1017 determine the rights and obligations of the members of the
 1018 common interest community.

1019 (19)~~(18)~~ "Land" means the surface of a legally described
 1020 parcel of real property and includes, unless otherwise specified
 1021 in the declaration and whether separate from or including such
 1022 surface, airspace lying above and subterranean space lying below
 1023 such surface. However, if so defined in the declaration, the
 1024 term "land" may mean all or any portion of the airspace or
 1025 subterranean space between two legally identifiable elevations
 1026 and may exclude the surface of a parcel of real property and may
 1027 mean any combination of the foregoing, whether or not
 1028 contiguous, or may mean a common interest community condominium
 1029 unit.

1030 (20)~~(19)~~ "Limited common elements" means those common
 1031 elements that ~~which~~ are reserved for the use of a certain unit
 1032 or units to the exclusion of all other units, as specified in
 1033 the declaration.

1034 (21) "Master association" means a common interest
 1035 community association whose members are also members or unit
 1036 owners of common interest community sub-associations.

1037 (22) "Member" means the owner of property who shares
 1038 common expenses.

1039 (23)~~(20)~~ "Multi-common interest community
 1040 multicondominium" means a real estate development containing two

1041 or more common interest communities ~~condominiums~~, all of which
 1042 are operated by the same association.

1043 (24) (a) "Notice" means reasonable procedures taken to
 1044 ensure required information is provided to an intended
 1045 recipient. The term shall be liberally construed if the property
 1046 is configured in a way that prevents the posting of a notice in
 1047 a conspicuous location.

1048 (b)1. The term includes electronic notice when required in
 1049 this chapter.

1050 2. Consent to electronic notice and waiver of regular mail
 1051 or hand delivery must be maintained in the official records and
 1052 may be withdrawn at any time.

1053 3. Undeliverable electronic notice shall cause the e-mail
 1054 address to be removed from future electronic notice until
 1055 requested to be reinstated.

1056 4. Electronic notice must be sent in time for any rejected
 1057 or undeliverable notice to be mailed by regular mail or hand
 1058 delivered in order to maintain the required time schedule for
 1059 notice.

1060 (25) ~~(21)~~ "Operation" or "operation of the common interest
 1061 community ~~condominium~~" includes the administration and
 1062 management of the common interest community ~~condominium~~
 1063 property.

1064 (26) ~~(22)~~ "Rental agreement" means any written agreement,
 1065 or oral agreement if for less duration than 1 year, providing
 1066 for use and occupancy of premises.

1067 ~~(27)(23)~~ "Residential common interest community
 1068 ~~condominium~~" means a common interest community ~~condominium~~
 1069 consisting of two or more units, any of which are intended for
 1070 use as a private temporary or permanent residence, except that a
 1071 common interest community ~~condominium~~ is not a residential
 1072 common interest community ~~condominium~~ if the use for which the
 1073 units are intended is primarily commercial or industrial and not
 1074 more than three units are intended to be used for private
 1075 residence, and are intended to be used as housing for
 1076 maintenance, managerial, janitorial, or other operational staff
 1077 of the common interest community ~~condominium~~. With respect to a
 1078 common interest community ~~condominium~~ that is not a timeshare
 1079 common interest community ~~condominium~~, a residential unit
 1080 includes a unit intended as a private temporary or permanent
 1081 residence as well as a unit not intended for commercial or
 1082 industrial use. With respect to a timeshare common interest
 1083 community ~~condominium~~, the timeshare instrument as defined in s.
 1084 721.05(35) shall govern the intended use of each unit in the
 1085 common interest community ~~condominium~~. If a common interest
 1086 community ~~condominium~~ is a residential common interest community
 1087 ~~condominium~~ but contains units intended to be used for
 1088 commercial or industrial purposes, then, with respect to those
 1089 units which are not intended for or used as private residences,
 1090 the common interest community ~~condominium~~ is not a residential
 1091 common interest community ~~condominium~~. A common interest
 1092 community that ~~condominium~~ which contains both commercial and

1093 residential units is a mixed-use common interest community
 1094 ~~condominium~~ and is subject to the requirements of s. 718.404.

1095 ~~(28)-(24)~~ "Special assessment" means any assessment levied
 1096 against a unit owner other than the assessment required by a
 1097 budget adopted annually.

1098 (29) "Successor" or "subsequent developer" means any
 1099 person, other than the creating developer or concurrent
 1100 developer, who offers parcels for sale or lease in the ordinary
 1101 course of business. However, the term does not include a
 1102 financial lending institution receiving title to a number of
 1103 units through foreclosure or deed in lieu of foreclosure unless
 1104 the institution subsequently offer parcels for sale or lease in
 1105 the ordinary course of business. Conveying all of such units to
 1106 another person relieves the institution of developer
 1107 responsibilities.

1108 ~~(30)-(25)~~ "Timeshare estate" means any interest in a unit
 1109 under which the exclusive right of use, possession, or occupancy
 1110 of the unit circulates among the various purchasers of a
 1111 timeshare plan pursuant to chapter 721 on a recurring basis for
 1112 a period of time.

1113 ~~(31)-(26)~~ "Timeshare unit" means a unit in which timeshare
 1114 estates have been created.

1115 ~~(32)-(27)~~ "Unit" means a part of the common interest
 1116 community ~~condominium~~ property which is subject to exclusive
 1117 ownership. A unit may be in improvements, land, or land and
 1118 improvements together, as specified in the declaration. The term

1119 includes any part of the property that is subject to exclusive
 1120 ownership. A unit may be in improvements, land, or land and
 1121 improvements together, as specified in the documents, and
 1122 includes:

1123 (a) A condominium form of ownership of real property
 1124 created pursuant to this chapter comprised entirely of units
 1125 that may be owned by one or more persons, and in which there is,
 1126 appurtenant to each unit, an undivided share in common elements.

1127 (b) A cooperative form of ownership of real property
 1128 wherein legal title is vested in a corporation or other entity
 1129 and the beneficial use is evidenced by an ownership interest in
 1130 the association and a lease or other muniment of title or
 1131 possession granted by the association as the owner of all the
 1132 cooperative property.

1133 (c) A platted or unplatted lot, tract, unit, or other
 1134 subdivision of real property within a community, as described in
 1135 the governing documents, that is capable of separate conveyance,
 1136 and of which the parcel owner, or an association in which the
 1137 parcel owner must be a member, is obligated by the documents to
 1138 be a member of an association that serves the community.

1139 (33)-(28) "Unit owner," or "owner of a unit," or "member"
 1140 means a record owner of legal title or a lessee of a cooperative
 1141 unit to a common interest community condominium parcel.

1142 (34)-(29) "Voting certificate" means a document which
 1143 designates one of the record title owners, or the corporate,
 1144 partnership, or entity representative, who is authorized to vote

1145 on behalf of a common interest community ~~condominium~~ unit that
 1146 is owned by more than one owner or by any entity. If there is
 1147 exclusive joint ownership by a husband and wife, a voting
 1148 certificate is not required.

1149 ~~(35)-(30)~~ "Voting interests" means the voting rights
 1150 distributed to the association members pursuant to s.
 1151 718.104(6)(n) ~~718.104(4)(j)~~. In a multi-common interest
 1152 community ~~multicondominium~~ association, the voting interests of
 1153 the association are the voting rights distributed to the unit
 1154 owners in all common interest communities ~~condominiums~~ operated
 1155 by the association. On matters related to a specific common
 1156 interest community ~~condominium~~ in a multi-common interest
 1157 community ~~multicondominium~~ association, the voting interests of
 1158 the common interest community ~~condominium~~ are the voting rights
 1159 distributed to the unit owners in that common interest community
 1160 ~~condominium~~.

1161 Section 40. Section 718.1035, Florida Statutes, is amended
 1162 to read:

1163 718.1035 Power of attorney; compliance with chapter.—The
 1164 use of a power of attorney that affects any aspect of the
 1165 operation of a common interest community ~~condominium~~ shall be
 1166 subject to and in compliance with the provisions of this chapter
 1167 and all common interest community ~~condominium~~ documents,
 1168 association rules and other rules adopted pursuant to this
 1169 chapter, and all other covenants, conditions, and restrictions
 1170 in force at the time of the execution of the power of attorney.

1171 The use of a power of attorney does not create eligibility to
 1172 serve on the board of directors.

1173 Section 41. Section 718.104, Florida Statutes, is amended
 1174 to read:

1175 718.104 Creation of common interest communities
 1176 ~~condominiums~~; contents of declaration.—Every common interest
 1177 community ~~condominium~~ created in this state shall be created
 1178 pursuant to this chapter.

1179 (1) A common interest community ~~condominium~~ may be created
 1180 on land owned in fee simple or held under a lease complying with
 1181 the provisions of s. 718.401.

1182 (2) A common interest community ~~condominium~~ is created by
 1183 recording a declaration in the public records of the county
 1184 where the land is located, executed and acknowledged with the
 1185 requirements for a deed. All persons who have record title to
 1186 the interest in the land being submitted to common interest
 1187 community ~~condominium~~ ownership, or their lawfully authorized
 1188 agents, must join in the execution of the declaration. Upon the
 1189 recording of the declaration, or an amendment adding a phase to
 1190 the common interest community ~~condominium~~ under s. 718.403(6),
 1191 all units described in the declaration or phase amendment as
 1192 being located in or on the land then being submitted to common
 1193 interest community ~~condominium~~ ownership shall come into
 1194 existence, regardless of the state of completion of planned
 1195 improvements in which the units may be located or any other
 1196 requirement or description that a declaration may provide. Upon

1197 recording the declaration of common interest community
 1198 ~~condominium~~ pursuant to this section, the developer shall file
 1199 the recording information with the division within 120 calendar
 1200 days on a form prescribed by the division.

1201 (3) All persons who have any record interest in any
 1202 mortgage encumbering the interest in the land being submitted to
 1203 common interest community ~~condominium~~ ownership must either join
 1204 in the execution of the declaration or execute, with the
 1205 requirements for deed, and record, a consent to the declaration
 1206 or an agreement subordinating their mortgage interest to the
 1207 declaration.

1208 (4) All provisions of the common interest community
 1209 documents must be reasonable and are enforceable equitable
 1210 servitudes that run with the land and are effective until the
 1211 common interest community is terminated.

1212 (5) The declaration provisions of the common interest
 1213 community documents shall be liberally construed to not
 1214 challenge the property rights and quiet enjoyment of owners.

1215 (6)~~(4)~~ The documents ~~declaration~~ must contain or provide
 1216 for the following matters:

1217 (a) A statement submitting the property to common interest
 1218 community ~~condominium~~ ownership.

1219 (b) The name by which the common interest community
 1220 ~~condominium~~ property is to be identified, which shall include
 1221 the word "condominium," "homeowner," or "cooperative" or be
 1222 followed by the appropriate designation. ~~words "a condominium."~~

1223 (c) The legal description of the land and, if a leasehold
 1224 estate is submitted to the common interest community
 1225 ~~condominium~~, an identification of the lease.

1226 (d) An identification of each unit by letter, name, or
 1227 number, or combination thereof, so that no unit bears the same
 1228 designation as any other unit.

1229 (e) A survey of the land which meets the minimum technical
 1230 ~~standards of practice~~ established by the Board of Professional
 1231 Surveyors and Mappers, pursuant to s. 472.027, and a graphic
 1232 description of the improvements in which units are located and a
 1233 plot plan thereof that, together with the documents ~~declaration~~,
 1234 are in sufficient detail to identify the common elements and
 1235 each unit and their relative locations and approximate
 1236 dimensions. Failure of the survey to meet the minimum technical
 1237 ~~standards of practice~~ does not invalidate an otherwise validly
 1238 created common interest community ~~condominium~~.

1239 (f) The survey, graphic description, and plot plan may be
 1240 in the form of exhibits consisting of building plans, floor
 1241 plans, maps, surveys, or sketches. If the construction of the
 1242 common interest community ~~condominium~~ is not substantially
 1243 completed, there shall be a statement to that effect, and, upon
 1244 substantial completion of construction, the developer or the
 1245 association shall amend the documents ~~declaration~~ to include the
 1246 certificate described in paragraphs (g)-(i) ~~below~~.

1247 (g) The amendment may be accomplished by referring to the
 1248 recording data of a survey of the common interest community

1249 ~~condominium~~ that complies with the certificate. A certificate of
 1250 a surveyor and mapper authorized to practice in this state shall
 1251 be included in or attached to the documents ~~declaration~~ or the
 1252 survey or graphic description as recorded under s. 718.105 that
 1253 the construction of the improvements is substantially complete
 1254 so that the material, together with the provisions of the
 1255 documents ~~declaration~~ describing the common interest community
 1256 ~~condominium~~ property, is an accurate representation of the
 1257 location and dimensions of the improvements and so that the
 1258 identification, location, and dimensions of the common elements
 1259 or common property and of each unit can be determined from these
 1260 materials.

1261 (h) Completed units within each substantially completed
 1262 building in a common interest community ~~condominium~~ development
 1263 may be conveyed to buyers ~~purchasers~~, notwithstanding that other
 1264 buildings in the common interest community ~~condominium~~ are not
 1265 substantially completed, provided that all planned improvements,
 1266 including, but not limited to, landscaping, utility services and
 1267 access to the unit, and common-element facilities serving such
 1268 building, as set forth in the documents ~~declaration~~, are first
 1269 completed and the documents ~~are declaration of condominium is~~
 1270 first recorded and provided that as to the units being conveyed
 1271 there is a certificate of a surveyor and mapper as required
 1272 above, including certification that all planned improvements,
 1273 including, but not limited to, landscaping, utility services and
 1274 access to the unit, and common-element facilities serving the

1275 building in which the units to be conveyed are located have been
 1276 substantially completed, and such certificate is recorded with
 1277 the original documents ~~declaration~~ or as an amendment to such
 1278 documents ~~declaration~~. ~~This section does not, however, operate~~
 1279 ~~to require development of improvements and amenities declared to~~
 1280 ~~be included in future phases pursuant to s. 718.403 before~~
 1281 ~~conveying a unit as provided in this paragraph.~~

1282 (i) For the purposes of this section, a "certificate of a
 1283 surveyor and mapper" means certification by a surveyor and
 1284 mapper in the form provided in paragraph (g), paragraph (h), and
 1285 this paragraph and may include, along with certification by a
 1286 surveyor and mapper, when appropriate, certification by an
 1287 architect or engineer authorized to practice in this state.
 1288 Notwithstanding the requirements of substantial completion
 1289 provided in this section, paragraph (g), paragraph (h), and this
 1290 paragraph ~~do~~ ~~does~~ not prohibit or impair the validity of a
 1291 mortgage encumbering units together with an undivided interest
 1292 in the common elements as described in a declaration of common
 1293 interest community ~~condominium~~ recorded before the recording of
 1294 a certificate of a surveyor and mapper as provided in this
 1295 paragraph.

1296 (j)~~(f)~~ The undivided share of ownership of the common
 1297 elements, common property, and common surplus of the common
 1298 interest community ~~condominium~~ that is appurtenant to each unit
 1299 stated as a percentage or a fraction of the whole. In the
 1300 documents ~~declaration~~ of ~~condominium~~ ~~for~~ residential units

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1301 ~~condominiums created after April 1, 1992,~~ the ownership share of
1302 the common elements assigned to each residential unit shall be
1303 based either upon the total square footage of each residential
1304 unit in uniform relationship to the total square footage of each
1305 other residential unit in the common interest community
1306 ~~condominium~~ or on an equal fractional basis.

1307 (k)~~(g)~~ The percentage or fractional shares of liability
1308 for common expenses of the common interest community
1309 ~~condominium~~, which, for all residential units, must be the same
1310 as the undivided shares of ownership of the common elements and
1311 common surplus appurtenant to each unit as provided for in
1312 paragraph (j), except when such expenses are not related to the
1313 size of the unit. Expenses not related to the size of the unit
1314 may be allocated on a per-unit basis ~~(f)~~.

1315 (l)~~(h)~~ If a developer reserves the right, in the documents
1316 ~~a declaration recorded on or after July 1, 2000,~~ to create a
1317 multi-common interest community ~~multicondominium~~, the documents
1318 ~~declaration~~ must state, or provide a specific formula for
1319 determining, the fractional or percentage shares of liability
1320 for the common expenses of the association and of ownership of
1321 the common surplus of the association to be allocated to the
1322 units in each common interest community ~~condominium~~ to be
1323 operated by the association. If the documents ~~a declaration~~
1324 ~~recorded on or after July 1, 2000,~~ for a common interest
1325 community ~~condominium~~ operated by a multi-common interest
1326 community ~~multicondominium~~ association as originally recorded

1327 fails to so provide, the share of liability for the common
1328 expenses of the association and of ownership of the common
1329 surplus of the association allocated to each unit in each common
1330 interest community condominium operated by the association shall
1331 be equal on a per-unit basis ~~a fraction of the whole, the~~
1332 ~~numerator of which is the number "one" and the denominator of~~
1333 ~~which is the total number of units in all condominiums operated~~
1334 ~~by the association.~~

1335 (m)-(i) The name of the association, which must be a
1336 corporation for profit or a corporation not for profit. An
1337 association not incorporated on July 1, 2016, must be
1338 incorporated within 1 year after the effective date of the
1339 documents.

1340 (n)-(j) Unit owners' membership and voting rights in the
1341 association.

1342 (o)-(k) The document or documents creating the association,
1343 which may be attached as an exhibit.

1344 (p)-(l) A copy of the bylaws, which shall be attached as an
1345 exhibit. Defects or omissions in the bylaws shall not affect the
1346 validity of the common interest community condominium or title
1347 to the common interest community condominium parcels.

1348 (q)-(m) Other desired provisions consistent ~~not~~
1349 ~~inconsistent~~ with this chapter.

1350 (r)-(n) The creation of a nonexclusive easement for ingress
1351 and egress over streets, walks, and other rights-of-way serving
1352 the units of a common interest community condominium, as part of

1353 the common elements necessary to provide reasonable access to
 1354 the public ways, or a dedication of the streets, walks, and
 1355 other rights-of-way to the public. All easements for ingress and
 1356 egress shall not be encumbered by any leasehold or lien other
 1357 than those on the common interest community ~~condominium~~ parcels,
 1358 unless:

1359 1. Any such lien is subordinate to the rights of unit
 1360 owners, or

1361 2. The holder of any encumbrance or leasehold of any
 1362 easement has executed and recorded an agreement that the use-
 1363 rights of each unit owner will not be terminated as long as the
 1364 unit owner has not been evicted because of a default under the
 1365 encumbrance or lease, and the use-rights of any mortgagee of a
 1366 unit who has acquired title to a unit may not be terminated.

1367 ~~(e) If timeshare estates will or may be created with~~
 1368 ~~respect to any unit in the condominium, a statement in~~
 1369 ~~conspicuous type declaring that timeshare estates will or may be~~
 1370 ~~created with respect to units in the condominium. In addition,~~
 1371 ~~the degree, quantity, nature, and extent of the timeshare~~
 1372 ~~estates that will or may be created shall be defined and~~
 1373 ~~described in detail in the declaration, with a specific~~
 1374 ~~statement as to the minimum duration of the recurring periods of~~
 1375 ~~rights of use, possession, or occupancy that may be created with~~
 1376 ~~respect to any unit.~~

1377 (7) ~~(5)~~ The documents ~~declaration~~ as originally recorded or
 1378 as amended under the procedures provided therein may include

1379 reasonable covenants and restrictions concerning the use,
 1380 occupancy, and transfer of the units permitted by law with
 1381 reference to real property. However, the rule against
 1382 perpetuities shall not defeat a right given any person or entity
 1383 by the documents ~~declaration~~ for the purpose of allowing unit
 1384 owners to retain reasonable control over the use, occupancy, and
 1385 transfer of units.

1386 (8)~~(6)~~ A person who joins in, or consents to the execution
 1387 of, a governing document ~~declaration~~ subjects his or her
 1388 interest in the common interest community ~~condominium~~ property
 1389 to the provisions of the document ~~declaration~~.

1390 (9)~~(7)~~ All provisions of the declaration are enforceable
 1391 equitable servitudes, run with the land, and are effective until
 1392 the common interest community ~~condominium~~ is terminated.

1393 Section 42. Section 718.1045, Florida Statutes, is amended
 1394 to read:

1395 718.1045 Timeshare estates; limitation on creation.—No
 1396 timeshare estates shall be created with respect to any common
 1397 interest community ~~condominium~~ unit except pursuant to
 1398 provisions in the declaration expressly permitting the creation
 1399 of such estates.

1400 Section 43. Section 718.105, Florida Statutes, is amended
 1401 to read:

1402 718.105 Recording of documents ~~declaration~~.—

1403 (1) When executed as required by s. 718.104, the documents
 1404 shall be recorded in the county where the common interest

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1405 community is located ~~a declaration~~ together with all exhibits
1406 and ~~all~~ amendments, and are ~~is~~ entitled to recordation as an
1407 agreement relating to the conveyance of land.

1408 (2) Graphic descriptions of improvements constituting
1409 exhibits to the documents ~~a declaration~~, when accompanied by the
1410 certificate of a surveyor required by s. 718.104, may be
1411 recorded as a part of the documents ~~a declaration~~ without
1412 approval of any public body or officer.

1413 (3) When the documents are recorded pursuant to this
1414 section, a certificate or receipted bill shall be filed with the
1415 clerk of the circuit court in the county where the property is
1416 located showing that all taxes due and owing on the property
1417 have been paid in full as of the date of recordation ~~recording~~
1418 ~~the declaration may, for his or her convenience, file the~~
1419 ~~exhibits of a declaration which contains graphic descriptions of~~
1420 ~~improvements in a separate book, and shall indicate the place of~~
1421 ~~filing upon the margin of the record of the declaration.~~

1422 (4) (a) If the declaration does not have the certificate or
1423 the survey or graphic description of the improvements required
1424 under s. 718.104(6) ~~718.104(4)(e)~~, the developer shall deliver
1425 therewith to the clerk an estimate, signed by a surveyor
1426 authorized to practice in this state, of the cost of a final
1427 survey or graphic description providing the certificate
1428 prescribed by s. 718.104(6) ~~718.104(4)(e)~~, and shall deposit
1429 with the clerk the sum of money specified in the estimate.

1430 (b) The clerk shall hold the money until an amendment to

1431 the declaration is recorded that complies with the certificate
1432 requirements of s. 718.104(6) ~~718.104(4)(e)~~. At that time, the
1433 clerk shall pay to the person presenting the amendment to the
1434 declaration the sum of money deposited, without making any
1435 charge for holding the sum, receiving it, or paying out, other
1436 than the fees required for recording the common interest
1437 community condominium documents.

1438 (c) If the sum of money held by the clerk has not been
1439 paid to the developer or association as provided in paragraph
1440 (b) within 3 ~~5~~ years after the date the declaration was
1441 originally recorded, the clerk may notify, in writing, the
1442 registered agent of the association that the sum is still
1443 available and the purpose for which it was deposited. If the
1444 association does not record the certificate within 90 days after
1445 the clerk has given the notice, the clerk may disburse the money
1446 to the developer. If the developer cannot be located, the clerk
1447 shall disburse the money to the Division of Common Interest
1448 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes~~
1449 for deposit in the Division of Common Interest Communities
1450 ~~Florida Condominiums, Timeshares, and Mobile Homes~~ Trust Fund.

1451 (5) When a declaration of common interest community
1452 ~~condominium~~ is recorded pursuant to this section, a certificate
1453 or receipted bill shall be filed with the clerk of the circuit
1454 court in the county where the property is located showing that
1455 all taxes due and owing on the property have been paid in full
1456 as of the date of recordation.

1457 Section 44. Section 718.106, Florida Statutes, is amended
 1458 to read:

1459 718.106 Common interest community ~~condominium~~ parcels;
 1460 appurtenances; possession and enjoyment.—

1461 (1) A common interest community ~~condominium~~ parcel,
 1462 including a community created as a leasehold, created by the
 1463 declaration is a separate parcel of real property, ~~even though~~
 1464 ~~the condominium is created on a leasehold.~~

1465 (2) There shall pass with a unit, as appurtenances
 1466 thereto:

1467 (a) An undivided share in the common elements and common
 1468 surplus.

1469 (b) The exclusive right to use such portion of the common
 1470 elements as may be provided by the declaration, including the
 1471 right to transfer such right to other units or unit owners to
 1472 the extent authorized by the declaration as originally recorded,
 1473 or amendments to the declaration adopted pursuant to the
 1474 provisions contained therein. Amendments to declarations of
 1475 common interest community ~~condominium~~ providing for the transfer
 1476 of use rights with respect to limited common elements are not
 1477 amendments that materially modify unit appurtenances as
 1478 described in s. 718.110(4). However, in order to be effective,
 1479 the transfer of use rights with respect to limited common
 1480 elements must be effectuated in conformity with the procedures
 1481 set forth in the documents ~~declaration~~ as originally recorded or
 1482 as amended under the procedures provided therein. This section

1483 is intended to clarify existing law and applies to associations
1484 existing on the effective date of this act.

1485 (c) An exclusive easement for the use of the airspace
1486 occupied by the unit as it exists at any particular time and as
1487 the unit may lawfully be altered or reconstructed from time to
1488 time. An easement in airspace which is vacated shall be
1489 terminated automatically.

1490 (d) Membership in the association designated in the
1491 documents ~~declaration~~, with the full voting rights appertaining
1492 thereto.

1493 (e) Other appurtenances as may be provided in the
1494 documents that may not be burdened by regulations or
1495 restrictions that are the purview of other authority
1496 ~~declaration~~.

1497 (3) (a) Expiration of a motor vehicle tag or failure to
1498 display a motor vehicle tag or parking permit are not sufficient
1499 grounds for enforcement action if it is the unit owner's only
1500 vehicle and the vehicle is parked in the spot assigned to the
1501 unit.

1502 (b) An association may not prohibit or restrict the
1503 parking of a noncommercial motor vehicle owned by a unit owner
1504 or the owner's guest, licensee, or invitee.

1505 (4) ~~(3)~~ A unit owner is entitled to the exclusive
1506 possession of his or her unit, subject to the provisions of s.
1507 718.111(5). He or she is entitled to use the common elements in
1508 accordance with the purposes for which they are intended, but no

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1509 use may hinder or encroach upon the lawful rights of other unit
 1510 owners.

1511 (5)~~(4)~~ When a unit is leased, a tenant shall have all use
 1512 rights in the association property and those common elements
 1513 otherwise readily available for use generally by unit owners and
 1514 the unit owner shall not have such rights except as a guest,
 1515 unless such rights are waived in writing by the tenant. Nothing
 1516 in this subsection shall interfere with the access rights of the
 1517 unit owner as a landlord pursuant to chapter 83. The association
 1518 shall have the right to adopt rules to prohibit dual usage by a
 1519 unit owner and a tenant of association property and common
 1520 elements otherwise readily available for use generally by unit
 1521 owners.

1522 (6)~~(5)~~ A local government may not adopt an ordinance or
 1523 regulation that prohibits common interest community ~~condominium~~
 1524 unit owners or their guests, licensees, or invitees from
 1525 pedestrian access to a public beach contiguous to a common
 1526 interest community ~~condominium~~ property, except where necessary
 1527 to protect public health, safety, or natural resources. This
 1528 subsection does not prohibit a governmental entity from enacting
 1529 regulations governing activities taking place on the beach.

1530 Section 45. Section 718.107, Florida Statutes, is amended
 1531 to read:

1532 718.107 Restraint upon separation and partition of common
 1533 elements.—

1534 (1) The undivided share in the common elements ~~which is~~

1535 appurtenant to a unit shall not be separated from it and shall
 1536 pass with the title to the unit, whether or not separately
 1537 described.

1538 (2) The share in the common elements appurtenant to a unit
 1539 cannot be conveyed or encumbered except together with the unit.

1540 (3) The shares in the common elements appurtenant to units
 1541 are undivided, and no action for partition of the common
 1542 elements shall lie.

1543 Section 46. Section 718.108, Florida Statutes, is amended
 1544 to read:

1545 718.108 Common elements.—

1546 (1) "Common elements" includes within its meaning the
 1547 following:

1548 (a) The common interest community ~~condominium~~ property
 1549 that ~~which~~ is not included within the units.

1550 (b) Easements through units for conduits, ducts, plumbing,
 1551 wiring, and other facilities for the furnishing of utility
 1552 services to units and the common elements.

1553 (c) An easement of support in every portion of a unit that
 1554 ~~which~~ contributes to the support of a building.

1555 (d) The property and installations required for the
 1556 furnishing of utilities and other services to more than one unit
 1557 or to the common elements.

1558 (2) The declaration may designate other parts of the
 1559 common interest community ~~condominium~~ property as common
 1560 elements.

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1561 Section 47. Section 718.1085, Florida Statutes, is amended
1562 to read:

1563 718.1085 Certain regulations not to be retroactively
1564 applied.—Notwithstanding the provisions of chapter 633 or of any
1565 other code, statute, ordinance, administrative rule, or
1566 regulation, or any interpretation thereof, an association,
1567 common interest community condominium, or unit owner is not
1568 obligated to retrofit the common elements or units of a
1569 residential common interest community condominium that meets the
1570 definition of "housing for older persons" in s. 760.29(4)(b)3.
1571 to comply with requirements relating to handrails and guardrails
1572 if the unit owners have voted to forego such retrofitting by the
1573 affirmative vote of two-thirds of all voting interests in the
1574 affected common interest community condominium. However, a
1575 common interest community condominium association may not vote
1576 to forego the retrofitting in common areas in a high-rise
1577 building. For the purposes of this section, the term "high-rise
1578 building" means a building that is greater than 75 feet in
1579 height where the building height is measured from the lowest
1580 level of fire department access to the floor of the highest
1581 occupiable level. For the purposes of this section, the term
1582 "common areas" means stairwells and exposed, outdoor walkways
1583 and corridors. In no event shall the local authority having
1584 jurisdiction require retrofitting of common areas with handrails
1585 and guardrails before the end of 2014.

1586 (1) A vote to forego retrofitting may not be obtained by

1587 general proxy or limited proxy, but shall be obtained by a vote
 1588 personally cast at a duly called membership meeting, or by
 1589 execution of a written consent by the member, and shall be
 1590 effective upon the recording of a certificate attesting to such
 1591 vote in the public records of the county where the common
 1592 interest community ~~condominium~~ is located. The association shall
 1593 provide each unit owner written notice of the vote to forego
 1594 retrofitting of the required handrails or guardrails, or both,
 1595 in at least 16-point bold type, by certified mail, within 20
 1596 days after the association's vote. After such notice is provided
 1597 to each owner, a copy of such notice shall be provided by the
 1598 current owner to a new owner prior to closing and shall be
 1599 provided by a unit owner to a renter prior to signing a lease.

1600 (2) As part of the information collected annually from
 1601 common interest communities ~~condominiums~~, the division shall
 1602 require common interest community ~~condominium~~ associations to
 1603 report the membership vote and recording of a certificate under
 1604 this subsection and, if retrofitting has been undertaken, the
 1605 per-unit cost of such work. The division shall annually report
 1606 to the Division of State Fire Marshal of the Department of
 1607 Financial Services the number of common interest communities
 1608 ~~condominiums~~ that have elected to forego retrofitting.

1609 Section 48. Section 718.109, Florida Statutes, is amended
 1610 to read:

1611 718.109 Legal description of common interest community
 1612 ~~condominium~~ parcels.—Following the recording of the instrument

1613 or instruments by which a common interest community is created
 1614 ~~declaration~~, a description of a common interest community
 1615 ~~condominium~~ parcel by the number or other designation by which
 1616 the unit is identified ~~in the declaration~~, together with the
 1617 recording data identifying the instrument ~~declaration~~, shall be
 1618 a sufficient legal description for all purposes. The description
 1619 includes all appurtenances to the unit concerned, whether or not
 1620 separately described, including, but not limited to, the
 1621 undivided share in the common elements appurtenant thereto.

1622 Section 49. Section 718.110, Florida Statutes, is amended
 1623 to read:

1624 718.110 Amendment of documents ~~declaration~~; correction of
 1625 error or omission in documents ~~declaration~~ by circuit court.—

1626 (1)(a) The documents ~~If the declaration fails to provide a~~
 1627 ~~method of amendment, the declaration~~ may be amended as to all
 1628 matters except those described in subsection (4) or subsection
 1629 (8) if the amendment is approved by the owners of a majority of
 1630 the units present and voting at a duly called meeting of the
 1631 common interest community ~~not less than two-thirds of the units.~~
 1632 ~~Except as to those matters described in subsection (4) or~~
 1633 ~~subsection (8), no declaration recorded after April 1, 1992,~~
 1634 ~~shall require that amendments be approved by more than four-~~
 1635 ~~fifths of the voting interests.~~

1636 (a)(b) No provision of the documents ~~declaration~~ shall be
 1637 revised or amended by reference to its title or number only.
 1638 Proposals to amend existing provisions of the documents

1639 ~~declaration~~ shall contain the full text of the provision to be
1640 amended; new words shall be inserted in the text and underlined;
1641 and words to be deleted shall be struck ~~lined~~ through with
1642 hyphens. However, if the proposed change is so extensive that
1643 this procedure would hinder, rather than assist, the
1644 understanding of the proposed amendment, it is not necessary to
1645 use underlining and hyphens as indicators of words added or
1646 deleted, but, instead, a notation must be inserted immediately
1647 preceding the proposed amendment in substantially the following
1648 language: "Substantial rewording of documents ~~declaration~~. See
1649 provision for present text."

1650 (b) ~~(e)~~ Nonmaterial errors or omissions in the amendment
1651 process will not invalidate an otherwise properly promulgated
1652 amendment.

1653 (2) An amendment, other than amendments made by the
1654 developer pursuant to ss. 718.104, 718.403, and 718.504(6), (7),
1655 and (9) without a vote of the unit owners and any rights the
1656 developer may have in the declaration to amend without consent
1657 of the unit owners that ~~which~~ shall be limited to matters other
1658 than those under subsections (4) and (8), shall be recorded and
1659 evidenced by a certificate of the association which shall
1660 include the recording data identifying the recorded document
1661 ~~declaration~~ and shall be executed in the form required for the
1662 execution of a deed. An amendment by the developer must be
1663 evidenced in writing, ~~but a certificate of the association is~~
1664 ~~not required. The developer of a timeshare condominium may~~

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1665 ~~reserve specific rights in the declaration to amend the~~
1666 ~~declaration without the consent of the unit owners.~~

1667 (3) An amendment of the documents ~~a declaration~~ is
1668 effective when properly recorded in the public records of the
1669 county where the documents are ~~declaration is~~ recorded.

1670 (4) Unless otherwise provided in the documents ~~declaration~~
1671 as originally recorded, no amendment may change the
1672 configuration or size of any unit in any material fashion,
1673 materially alter or modify the appurtenances to the unit, or
1674 change the proportion or percentage by which the unit owner
1675 shares the common expenses of the common interest community
1676 ~~condominium~~ and owns the common surplus of the common interest
1677 community ~~condominium~~ unless the record owner of the unit and
1678 all record owners of liens on the unit join in the execution of
1679 the amendment and unless all the record owners of all other
1680 units in the same common interest community ~~condominium~~ approve
1681 the amendment. The acquisition of property by the association
1682 and material alterations or substantial additions to such
1683 property or the common elements by the association in accordance
1684 with ~~s. 718.111(7) or~~ s. 718.113, and amendments providing for
1685 the transfer of use rights in limited common elements pursuant
1686 to s. 718.106(2)(b) shall not be deemed to constitute a material
1687 alteration or modification of the appurtenances to the units. ~~A~~
1688 ~~declaration recorded after April 1, 1992, may not require the~~
1689 ~~approval of less than a majority of total voting interests of~~
1690 ~~the condominium for amendments under this subsection, unless~~

1691 ~~otherwise required by a governmental entity.~~

1692 (5) If it appears that through a scrivener's error a unit
 1693 has not been designated as owning an appropriate undivided share
 1694 of the common elements or does not bear an appropriate share of
 1695 the common expenses or that all the common expenses or interest
 1696 in the common surplus or all of the common elements in the
 1697 common interest community ~~condominium~~ have not been distributed
 1698 in the declaration, so that the sum total of the shares of
 1699 common elements that ~~which~~ have been distributed or the sum
 1700 total of the shares of the common expenses or ownership of
 1701 common surplus fails to equal 100 percent, or if it appears that
 1702 more than 100 percent of common elements or common expenses or
 1703 ownership of the common surplus have been distributed, the error
 1704 may be corrected by filing an amendment to the declaration
 1705 approved by the board of administration or a majority of the
 1706 unit owners.

1707 (6) The common elements designated by the documents
 1708 ~~declaration~~ may be enlarged by an amendment to the documents
 1709 ~~declaration~~. The amendment must describe the interest in the
 1710 property and must submit the property to the terms of the
 1711 documents ~~declaration~~. The amendment must be approved and
 1712 executed as provided in this section. The amendment divests the
 1713 association of title to the land and vests title in the unit
 1714 owners as described in part ~~of the documents common elements~~,
 1715 without naming them and without further conveyance, in the same
 1716 proportion as the undivided share ~~shares~~ in the appurtenances

1717 ~~common elements that are appurtenant to their the unit owned by~~
 1718 ~~them.~~

1719 (7) The declarations, bylaws, and common elements of two
 1720 or more independent common interest communities ~~condominiums~~ of
 1721 a single complex may be merged to form a single common interest
 1722 community ~~condominium~~, upon the approval of 75 percent of the
 1723 voting interests of each common interest community ~~such voting~~
 1724 ~~interest of each condominium as is required by the declaration~~
 1725 ~~for modifying the appurtenances to the units or changing the~~
 1726 ~~proportion or percentages by which the owners of the parcel~~
 1727 ~~share the common expenses and own the common surplus; upon the~~
 1728 ~~approval of all record owners of liens; and upon the recording~~
 1729 of new or amended articles of incorporation, documents
 1730 ~~declarations~~, and bylaws.

1731 (8) Unless otherwise provided in the documents ~~declaration~~
 1732 as originally recorded, no amendment to the documents
 1733 ~~declaration~~ may permit timeshare estates to be created in any
 1734 unit of the common interest community ~~condominium~~, unless the
 1735 record owner of each unit of the common interest community
 1736 ~~condominium~~ and the record owners of liens on each unit of the
 1737 common interest community ~~condominium~~ join in the execution of
 1738 the amendment.

1739 (9) If there is an omission or error in the documents a
 1740 ~~declaration~~, or in any other document required by law to
 1741 establish the common interest community ~~condominium~~, the
 1742 association may correct the error or omission by an amendment to

1743 the documents ~~declaration~~ or to the other document required by
1744 law to establish the common interest community ~~create a~~
1745 ~~condominium~~ in the manner provided in paragraph (1) (a) ~~the~~
1746 ~~declaration to amend the declaration or, if none is provided, by~~
1747 ~~vote of a majority of the voting interests of the condominium.~~
1748 The amendment is effective when passed and approved and a
1749 certificate of amendment is executed and recorded as provided in
1750 subsections (2) and (3). This procedure for amendment cannot be
1751 used if such an amendment would materially or adversely affect
1752 property rights of unit owners, unless the affected unit owners
1753 consent in writing. ~~This subsection does not restrict the powers~~
1754 ~~of the association to otherwise amend the declaration, or other~~
1755 ~~documentation, but authorizes a simple process of amendment~~
1756 ~~requiring a lesser vote for the purpose of curing defects,~~
1757 ~~errors, or omissions when the property rights of unit owners are~~
1758 ~~not materially or adversely affected.~~

1759 (10) If there is an omission or error in the documents ~~a~~
1760 ~~declaration of condominium~~, or any other document required by
1761 law to establish the common interest community ~~condominium~~, and
1762 the omission or error would affect the valid existence of the
1763 common interest community ~~condominium~~, the circuit court may
1764 entertain a petition of one or more of the unit owners in the
1765 common interest community ~~condominium~~, or of the association, to
1766 correct the error or omission, and the action may be a class
1767 action.

1768 (a) The court may require that one or more methods of

1769 correcting the error or omission be submitted to the unit owners
 1770 to determine the most acceptable correction. All unit owners and
 1771 the common interest community, ~~the association,~~ ~~and the~~
 1772 ~~mortgagees of a first mortgage of record~~ must be joined as
 1773 parties to the action. Service of process on unit owners may be
 1774 by hand delivery, certified mail with return receipt requested,
 1775 electronic notice, or publication. ~~but~~ The plaintiff shall
 1776 certify, under oath, that ~~must furnish~~ every unit owner received
 1777 ~~not personally served with process with~~ a copy of the petition
 1778 and final decree of the court by hand delivery, certified mail
 1779 with, return receipt requested, electronic notice, or
 1780 publication, ~~at the unit owner's last known residence address.~~

1781 (b) If an action to determine whether the documents
 1782 ~~declaration~~ or any other common interest community ~~another~~
 1783 ~~condominium~~ document complies with the mandatory requirements
 1784 for the formation of a common interest community ~~condominium~~ is
 1785 not brought within 3 years after ~~of~~ the recording of the
 1786 documents, the documents ~~certificate of a surveyor and mapper~~
 1787 ~~pursuant to s. 718.104(4)(c) or the recording of an instrument~~
 1788 ~~that transfers title to a unit in the condominium which is not~~
 1789 ~~accompanied by a recorded assignment of developer rights in~~
 1790 ~~favor of the grantee of such unit, whichever occurs first, the~~
 1791 ~~declaration~~ and any other common interest community document
 1792 under this chapter ~~documents will effectively create a~~ common
 1793 interest community ~~condominium,~~ as of the date the documents
 1794 were ~~declaration was~~ recorded, regardless of whether the

1795 documents substantially comply with the mandatory requirements
 1796 of law.

1797 (c) However, both before and after the expiration of this
 1798 3-year period, the circuit court has jurisdiction to entertain a
 1799 petition permitted under this subsection for the correction of
 1800 the documentation, and other methods of amendment may be
 1801 utilized to correct ~~the~~ errors or omissions at any time.

1802 (11) The Legislature finds that the procurement of
 1803 mortgagee consent to amendments that do not affect the rights or
 1804 interests of mortgagees is an unreasonable and substantial
 1805 logistical and financial burden on the common interest community
 1806 association ~~unit owners~~ and ~~that~~ there is a compelling state
 1807 interest in enabling the association members ~~of a condominium~~
 1808 ~~association~~ to approve amendments to the ~~condominium~~ documents
 1809 through legal means. Accordingly, and notwithstanding any
 1810 provision to the contrary contained in this section:

1811 (a) ~~As to any mortgage recorded on or after October 1,~~
 1812 ~~2007,~~ Any provision in the documents ~~declaration~~, articles of
 1813 incorporation, ~~or~~ general law that requires the
 1814 consent or joinder of some or all mortgagees of units or any
 1815 other portion of the ~~condominium~~ property to or in amendments to
 1816 the documents ~~declaration~~, articles of incorporation, ~~or~~ general law,
 1817 or general law, or for any other matter, including termination
 1818 pursuant to s. 718.117, is shall be enforceable only if the
 1819 mortgagee and any subsequent designee or mortgagee provides
 1820 written notice to the association members of its status as a

1821 mortgage holder, by certified mail with return receipt
 1822 requested, relating ~~as~~ to the following matters:

1823 1. Those matters described in subsections (4) and (8).

1824 2. Amendments to the documents ~~declaration~~, articles of
 1825 incorporation, ~~or~~ bylaws, or general law that adversely affect
 1826 the ~~priority of the mortgagee's lien or the mortgagee's rights~~
 1827 to foreclose its lien or that otherwise materially affect the
 1828 rights and interests of the mortgagees. The amendments must be
 1829 thoroughly described in the written notice.

1830 (b) ~~As to mortgages recorded before October 1, 2007,~~ Any
 1831 existing provisions in the documents ~~declaration~~, articles of
 1832 incorporation, ~~or~~ bylaws, or general law requiring mortgagee
 1833 consent shall be enforceable only if the mortgagee and any
 1834 subsequent designee or mortgagee provides written notice as
 1835 required in paragraph (a).

1836 (c) In securing consent or joinder, the association shall
 1837 be entitled to rely upon the written notice provided in
 1838 paragraph (a) ~~public records~~ to identify the holders of
 1839 outstanding mortgages. ~~The association may use the address~~
 1840 ~~provided in the original recorded mortgage document, unless~~
 1841 ~~there is a different address for the holder of the mortgage in a~~
 1842 ~~recorded assignment or modification of the mortgage, which~~
 1843 ~~recorded assignment or modification must reference the official~~
 1844 ~~records book and page on which the original mortgage was~~
 1845 ~~recorded. Once the association has identified the recorded~~
 1846 ~~mortgages of record, the association shall, in writing, request~~

1847 ~~of each unit owner whose unit is encumbered by a mortgage of~~
1848 ~~record any information the owner has in his or her possession~~
1849 ~~regarding the name and address of the person to whom mortgage~~
1850 ~~payments are currently being made. Notice shall be sent to such~~
1851 ~~person if the address provided in the original recorded mortgage~~
1852 ~~document is different from the name and address of the mortgagee~~
1853 ~~or assignee of the mortgage as shown by the public record. The~~
1854 ~~association shall be deemed to have complied with this~~
1855 ~~requirement by making the written request of the unit owners~~
1856 ~~required under this paragraph.~~ Any notices required to be sent
1857 to the mortgagees under this subsection ~~paragraph~~ shall be sent
1858 to the address specified in the written notice provided in
1859 paragraph (a) ~~all available addresses provided to the~~
1860 ~~association.~~

1861 (d) Any notice to the mortgagees required under this
1862 subsection ~~paragraph (c)~~ may be sent by a method that
1863 establishes proof of delivery, and any mortgagee who fails to
1864 respond within 60 days after the date of mailing shall be deemed
1865 to have consented to the action ~~amendment~~.

1866 (e) ~~For those amendments requiring mortgagee consent on or~~
1867 ~~after October 1, 2007,~~ In the event mortgagee consent is
1868 provided other than by properly recorded joinder, such consent
1869 shall be evidenced by affidavit of the association recorded in
1870 the public records of the county where the common interest
1871 community declaration ~~is located recorded~~. Any amendment adopted
1872 without the required consent of a mortgagee shall be voidable

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1873 only by a mortgagee who was entitled to written notice pursuant
1874 to paragraph (a) and an opportunity to consent. An action to
1875 void an amendment or action shall be subject to the statute of
1876 limitations beginning 2 5 years after the ~~date of discovery as~~
1877 ~~to the amendments described in subparagraphs (a)1. and 2. and 5~~
1878 ~~years after the date of recordation of the certificate of~~
1879 ~~amendment for all other amendments.~~ This provision shall apply
1880 to all mortgages, regardless of the date of recordation of the
1881 mortgage.

1882 (f) The documents of a common interest community shall be
1883 deemed amended to correspond with amendments to applicable
1884 statutes and may be recorded as amendments with approval of the
1885 board of directors of the common interest community.
1886 ~~Notwithstanding the provisions of this section, any amendment or~~
1887 ~~amendments to conform a declaration of condominium to the~~
1888 ~~insurance coverage provisions in s. 718.111(11) may be made as~~
1889 ~~provided in that section.~~

1890 (12) (a) With respect to an existing multi-common interest
1891 community ~~multicondominium~~ association, any amendment to change
1892 the fractional or percentage share of liability for the common
1893 expenses of the association and ownership of the common surplus
1894 of the association must be approved by ~~at least a majority of~~
1895 the total voting interests of each common interest community
1896 ~~condominium~~ operated by the association ~~unless the declarations~~
1897 ~~of all condominiums operated by the association uniformly~~
1898 ~~require approval by a greater percentage of the voting interests~~

1899 ~~of each condominium.~~

1900 (b) Unless approval by a greater percentage of the voting
 1901 interests of an existing multi-common interest community
 1902 ~~multicondominium~~ association is expressly required in the
 1903 documents ~~declaration~~ of an existing common interest community
 1904 ~~condominium~~, the documents ~~declaration~~ may be amended upon
 1905 approval of at least a majority of the total voting interests of
 1906 each common interest community ~~condominium~~ operated by the
 1907 multi-common interest community ~~multicondominium~~ association for
 1908 the purpose of:

1909 1. Setting forth in the documents ~~declaration~~ the formula
 1910 currently utilized, but not previously stated in the documents
 1911 ~~declaration~~, for determining the percentage or fractional shares
 1912 of liability for the common expenses of the multi-common
 1913 interest community ~~multicondominium~~ association and ownership of
 1914 the common surplus of the multi-common interest community
 1915 ~~multicondominium~~ association. The formula shall be based on an
 1916 equal-per-unit, square-foot basis or an equal-per-unit basis.

1917 2. Providing for the creation or enlargement of a multi-
 1918 common interest community ~~multicondominium~~ association by the
 1919 merger or consolidation of two or more associations and changing
 1920 the name of the association, as appropriate.

1921 (13) The alienation of units shall not be restricted
 1922 unless it is likely to threaten the security of the residents,
 1923 association property, and the financial status of the
 1924 association or the ability of the association to qualify for

1925 institutional mortgage financing.

1926 (14)~~(13)~~ An amendment prohibiting unit owners from renting
 1927 their units or altering the duration of the rental term or
 1928 specifying or limiting the number of times unit owners are
 1929 entitled to rent their units during a specified period applies
 1930 only to unit owners who consent to the amendment and unit owners
 1931 who acquire title to their units after the effective date of
 1932 that amendment.

1933 (15)~~(14)~~ Except for those portions of the common elements
 1934 designed and intended to be used by all unit owners, a portion
 1935 of the common elements serving only one unit or a group of units
 1936 may be reclassified as a limited common element upon the vote
 1937 required to amend the declaration as provided therein or as
 1938 required under subsection (1) ~~paragraph (1)(a)~~, and shall not be
 1939 considered an amendment pursuant to subsection (4). This is a
 1940 clarification of existing law.

1941 Section 50. Section 718.111, Florida Statutes, is amended
 1942 to read:

1943 718.111 The association.—

1944 (1) CORPORATE ENTITY.—

1945 (a) The operation of the common interest community
 1946 ~~condominium~~ shall be by the association that, ~~which~~ must be a
 1947 Florida corporation for profit or a Florida corporation not for
 1948 profit. Any common interest community that ~~However, any~~
 1949 ~~association which was in existence on January 1, 1977, need not~~
 1950 ~~be~~ incorporated when created must file for incorporation by

1951 January 1, 2017. The owners of units shall be shareholders or
1952 members of the association. ~~The officers and directors of the~~
1953 ~~association have a fiduciary relationship to the unit owners. It~~
1954 ~~is the intent of the Legislature that nothing in this paragraph~~
1955 ~~shall be construed as providing for or removing a requirement of~~
1956 ~~a fiduciary relationship between any manager employed by the~~
1957 ~~association and the unit owners. An officer, director, or~~
1958 ~~manager may not solicit, offer to accept, or accept any thing or~~
1959 ~~service of value for which consideration has not been provided~~
1960 ~~for his or her own benefit or that of his or her immediate~~
1961 ~~family, from any person providing or proposing to provide goods~~
1962 ~~or services to the association. Any such officer, director, or~~
1963 ~~manager who knowingly so solicits, offers to accept, or accepts~~
1964 ~~any thing or service of value is subject to a civil penalty~~
1965 ~~pursuant to s. 718.501(1)(d). However, this paragraph does not~~
1966 ~~prohibit an officer, director, or manager from accepting~~
1967 ~~services or items received in connection with trade fairs or~~
1968 ~~education programs. An association may operate more than one~~
1969 common interest community condominium.

1970 (b) A director of the association ~~who is~~ present at a
1971 meeting of its board at which action on any corporate matter is
1972 taken shall be presumed to have assented to the action taken
1973 unless he or she votes against such action or abstains for a
1974 stated conflict of interest ~~from voting. A director of the~~
1975 ~~association who abstains from voting on any action taken on any~~
1976 ~~corporate matter shall be presumed to have taken no position~~

1977 ~~with regard to the action.~~ Directors may not vote by proxy or by
 1978 secret ballot at board meetings, except that officers may be
 1979 elected by secret ballot. A vote or abstention for each member
 1980 present shall be recorded in the minutes and, if the vote is
 1981 unanimous, the names of the members are not required to be
 1982 recorded in the minutes.

1983 (c) A unit owner does not have any authority to act for
 1984 the association by reason of being a unit owner.

1985 (d) As required by s. 617.0830, an officer, director, or
 1986 agent shall discharge his or her duties in good faith, with the
 1987 care an ordinarily prudent person in a like position would
 1988 exercise under similar circumstances, and in a manner he or she
 1989 reasonably believes to be in the best interests of the
 1990 association. An officer, director, or agent shall,
 1991 notwithstanding any indemnification provisions in the documents,
 1992 be individually liable for monetary damages as provided in s.
 1993 617.0834 if such officer, director, or agent breached or failed
 1994 to perform his or her duties and the breach of, or failure to
 1995 perform, his or her duties constitutes a violation of criminal
 1996 law as provided in s. 617.0834; constitutes a transaction that
 1997 ~~from which~~ the officer or director derived an improper personal
 1998 benefit, either directly or indirectly; or constitutes
 1999 recklessness or an act or omission that was in bad faith, with
 2000 malicious purpose, or in a manner exhibiting wanton and willful
 2001 disregard of human rights, safety, or property.

2002 (e) Circumstances that create a conflict of interest that

2003 require a director to abstain include, but are not limited to:
 2004 1. Outside interests, including:
 2005 a. A contract or transaction between the association and a
 2006 director or the director's co-owner or family member.
 2007 b. A contract or transaction involving the association,
 2008 including the approval of a transaction between a unit owner and
 2009 third party, in which a director will benefit financially by the
 2010 receipt of a payment in connection with services rendered in
 2011 connection with the transaction or of which such person is a
 2012 director, officer, agent, partner, associate, trustee, personal
 2013 representative, receiver, guardian, custodian, conservator, or
 2014 other legal representative.
 2015 2. Outside activities, including:
 2016 a. A director competing with the association or a party
 2017 rendering services in a transaction to a unit owner.
 2018 b. A director having a material financial interest in, or
 2019 -serving as a director, officer, employee, agent, partner,
 2020 associate, trustee, personal representative, receiver, guardian,
 2021 custodian, conservator, or other legal representative of, or
 2022 consultant to, an entity or individual that competes with the
 2023 association in the provision of services or in any other
 2024 contract or transaction with a third party.
 2025
 2026 Ownership of publically traded stock in a corporation does not
 2027 create a conflict of interest if the ownership of the stock is
 2028 disclosed.

2029 (f) The officers and directors of the association have a
 2030 fiduciary duty and responsibility to the members. An officer,
 2031 director, manager, employee, or agent of an association or of a
 2032 management firm may not solicit, offer to accept, or accept any
 2033 good or service of value for which consideration has not been
 2034 provided for his or her own benefit, or that of his or her
 2035 immediate family, from any person providing or proposing to
 2036 provide goods or services to the officer, director, manager,
 2037 employee, or agent of the association. Any such person who
 2038 knowingly solicits, offers to accept, or accepts any good or
 2039 service of value is subject to a civil penalty pursuant to s.
 2040 718.501(1)(d) and a criminal penalty pursuant to s. 812.014.
 2041 This paragraph does not prohibit any such person from accepting
 2042 goods or services of minimal value received in connection with
 2043 trade fairs or education programs.

2044 (2) POWERS AND DUTIES.—The powers and duties of the
 2045 association include those set forth in this section and, except
 2046 as expressly limited or restricted in this chapter, those set
 2047 forth in the declaration and bylaws and chapters ~~part I of~~
 2048 ~~chapter~~ 607 and ~~chapter~~ 617, as applicable.

2049 (3) RESPONSIBILITY ~~POWER~~ TO MANAGE COMMON INTEREST
 2050 COMMUNITY CONDOMINIUM PROPERTY AND TO CONTRACT, SUE, AND BE
 2051 SUED.—The association may contract, sue, or be sued with respect
 2052 to the exercise or nonexercise of its responsibilities ~~powers~~.
 2053 For these purposes, the powers of the association include, but
 2054 are not limited to, the maintenance, management, and operation

2055 of the common interest community ~~condominium~~ property and
 2056 affairs.

2057 (a) After control of the association is obtained by unit
 2058 owners other than the developer, the association may institute,
 2059 maintain, settle, or appeal actions or hearings in its name on
 2060 behalf of all unit owners concerning matters of common interest
 2061 to most or all unit owners, including, but not limited to, the
 2062 common elements; the roof and structural components of a
 2063 building or other improvements; mechanical, electrical, and
 2064 plumbing elements serving an improvement or a building;
 2065 representations of the developer pertaining to any existing or
 2066 proposed commonly used facilities; ~~and~~ protesting ad valorem
 2067 taxes on ~~commonly used facilities and on units~~; and the
 2068 developer's unreasonable representations of common expenses,
 2069 and may defend actions in eminent domain or bring inverse
 2070 condemnation actions.

2071 (b) If the association has the authority to maintain a
 2072 class action, the association may be joined in an action as
 2073 representative of that class with reference to litigation and
 2074 disputes involving the matters for which the association could
 2075 bring a class action. Nothing herein limits any statutory or
 2076 common-law right of any individual unit owner or class of unit
 2077 owners to bring any action without participation by the
 2078 association that ~~which~~ may otherwise be available.

2079 (4) ASSESSMENTS; MANAGEMENT OF COMMON ELEMENTS.—The
 2080 association must ~~has the power to~~ make and collect assessments

2081 and to lease, maintain, repair, and replace the common elements
 2082 or association property; however, the association may not charge
 2083 a use fee against a unit owner for the use of common elements or
 2084 association property unless otherwise provided for in the
 2085 documents ~~declaration of condominium~~ or by a majority vote of
 2086 the association or unless the charges relate to expenses
 2087 incurred because of ~~by~~ an owner having temporary exclusive use
 2088 of the common elements or association property.

2089 (5) RIGHT OF ACCESS TO UNITS.—

2090 (a) The association has the irrevocable right of access to
 2091 each unit during reasonable hours, when necessary for the
 2092 maintenance, repair, inspection of safety systems, or
 2093 replacement of any common elements or of any portion of a unit
 2094 to be maintained by the association pursuant to the documents
 2095 ~~declaration~~ or as necessary to prevent damage to the common
 2096 elements or to verify the well-being of the resident ~~a unit~~.

2097 (b)1. In addition to the association's right of access in
 2098 paragraph (a) and regardless of whether authority is provided in
 2099 the declaration or other recorded common interest community
 2100 ~~condominium~~ documents, an association, at the sole discretion of
 2101 the board, may enter an abandoned unit to inspect the unit and
 2102 adjoining common elements; make repairs to the unit or to the
 2103 common elements serving the unit, as needed; repair the unit if
 2104 mold or deterioration is present; turn on the utilities for the
 2105 unit; or otherwise maintain, preserve, or protect the unit and
 2106 adjoining common elements. For purposes of this paragraph, a

2107 unit is presumed to be abandoned if:

2108 a. The unit is the subject of a foreclosure action and no
 2109 tenant appears to have resided in the unit for at least 4
 2110 continuous weeks without prior written notice to the
 2111 association; or

2112 b. No tenant appears to have resided in the unit for 2
 2113 consecutive months without prior written notice to the
 2114 association, and the association is unable to contact the owner
 2115 or determine the whereabouts of the owner after reasonable
 2116 inquiry.

2117 2. Except in the case of an emergency, an association may
 2118 not enter an abandoned unit until 2 days after notice of the
 2119 association's intent to enter the unit has been mailed,
 2120 electronically transmitted, or hand delivered ~~hand-delivered~~ to
 2121 the owner at the address of the owner as reflected in the
 2122 records of the association. ~~The notice may be given by~~
 2123 ~~electronic transmission to unit owners who previously consented~~
 2124 ~~to receive notice by electronic transmission.~~

2125 3. Any expense incurred by an association pursuant to this
 2126 paragraph is chargeable to the unit owner and enforceable as an
 2127 assessment pursuant to s. 718.116, and the association may use
 2128 its lien authority provided by s. 718.116 to enforce collection
 2129 of the expense.

2130 4. The association may petition a court of competent
 2131 jurisdiction to appoint a receiver to lease out an abandoned
 2132 unit for the benefit of the association to offset against the

2133 rental income the association's costs and expenses of
 2134 maintaining, preserving, and protecting the unit and the
 2135 adjoining common elements, including the costs of the
 2136 receivership and all unpaid assessments, interest,
 2137 administrative late fees, costs, and reasonable attorney fees.

2138 (6) OPERATION OF COMMON INTEREST COMMUNITIES ~~CONDOMINIUMS~~
 2139 CREATED PRIOR TO 1977.—Notwithstanding any provision of this
 2140 chapter, an association may operate two or more residential
 2141 common interest communities ~~condominiums~~ in which the initial
 2142 common interest community ~~condominium~~ declaration was recorded
 2143 prior to January 1, 1977, and may continue to so operate such
 2144 common interest communities ~~condominiums~~ as a single common
 2145 interest community ~~condominium~~ for purposes of financial
 2146 matters, including budgets, assessments, accounting,
 2147 recordkeeping, and similar matters, if provision is made for
 2148 such consolidated operation in the applicable declarations of
 2149 each such common interest community ~~condominium~~ or in the
 2150 bylaws. An association for such common interest communities
 2151 ~~condominiums~~ may also provide for consolidated financial
 2152 operation as described in this section either by amending its
 2153 documents ~~declaration~~ pursuant to s. 718.110(1) ~~718.110(1)(a)~~ or
 2154 by amending its bylaws and having the amendment approved by not
 2155 less than two-thirds of the total voting interests.
 2156 Notwithstanding any provision in this chapter, common expenses
 2157 for residential common interest communities ~~condominiums~~ in such
 2158 a project being operated by a single association may be assessed

2159 against all unit owners in such project pursuant to the
 2160 proportions or percentages established for the project ~~therefor~~
 2161 in the documents ~~declarations~~ as initially recorded or in the
 2162 bylaws as initially adopted, subject, however, to the
 2163 limitations of ss. 718.116 and 718.302.

2164 (7) TITLE TO PROPERTY.—

2165 (a) ~~The association has the power to acquire title to~~
 2166 ~~property or otherwise hold, convey, lease, and mortgage~~
 2167 ~~association property for the use and benefit of its members. The~~
 2168 ~~power to acquire personal property shall be exercised by the~~
 2169 ~~board of administration.~~ Except as otherwise permitted in
 2170 subsections (8) and (9) and in s. 718.114, an ~~no~~ association may
 2171 not acquire, convey, or lease, ~~or mortgage~~ association real
 2172 property except in the manner provided in the documents
 2173 ~~declaration~~, and if the documents ~~declaration~~ does not
 2174 specify the procedure, then approval of 75 percent of the total
 2175 voting interests shall be required.

2176 (b) Subject to the provisions of s. 718.112(2)(n)
 2177 ~~718.112(2)(m)~~, the association, through its board, may ~~has the~~
 2178 ~~limited power to~~ convey a portion of the common elements to a
 2179 condemning authority for the purposes of providing utility
 2180 easements, right-of-way expansion, or other public purposes,
 2181 whether negotiated or as a result of eminent domain proceedings.

2182 (8) PURCHASE OF LEASES.—The association may ~~has the power~~
 2183 ~~to~~ purchase any land or recreation lease, subject to the same
 2184 manner of approval as in s. 718.114 for the acquisition of

2185 leaseholds.

2186 (9) PURCHASE OF UNITS.—The association may ~~has the power,~~
 2187 ~~unless prohibited by the declaration, articles of incorporation,~~
 2188 ~~or bylaws of the association, to~~ purchase units in the common
 2189 interest community condominium and ~~to~~ acquire and hold, lease,
 2190 mortgage, and convey the units ~~them~~. There shall be no
 2191 limitation on the association's right to purchase a unit at a
 2192 foreclosure sale resulting from the association's foreclosure of
 2193 its lien for unpaid assessments, or to take title by deed in
 2194 lieu of foreclosure.

2195 (10) EASEMENTS.—Unless prohibited by the declaration, the
 2196 board of administration has the authority, without the joinder
 2197 of any unit owner, to grant, modify, or move any easement if the
 2198 easement constitutes part of or crosses the common elements or
 2199 association property. This subsection does not authorize the
 2200 board of administration to modify, move, or vacate any easement
 2201 created in whole or in part for the use or benefit of anyone
 2202 other than the unit owners, or crossing the property of anyone
 2203 other than the unit owners, without the consent or approval of
 2204 those other persons having the use or benefit of the easement,
 2205 as required by law or by the instrument creating the easement.
 2206 Nothing in this subsection affects the minimum requirements of
 2207 s. 718.104(6)(r) ~~718.104(4)(n)~~ or the powers enumerated in
 2208 subsection (3).

2209 (11) INSURANCE.—In order to protect the safety, health,
 2210 and welfare of the people of the State of Florida and to ensure

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2211 consistency in the provision of insurance coverage to common
2212 interest communities ~~condominiums~~ and their unit owners, this
2213 subsection applies to every residential common interest
2214 community ~~condominium~~ in the state, regardless of the date of
2215 its declaration of common interest community ~~condominium~~. It is
2216 the intent of the Legislature to encourage lower or stable
2217 insurance premiums for associations described in this
2218 subsection.

2219 (a) The association shall obtain and maintain adequate
2220 ~~property insurance, regardless of any requirement in the~~
2221 ~~declaration of condominium for coverage by the association for~~
2222 ~~full insurable value, replacement cost, or similar coverage,~~
2223 ~~must be~~ based on the replacement cost of the property to be
2224 insured as determined by an independent insurance appraisal or
2225 update of a prior appraisal to protect the association,
2226 association property, common elements, and the common interest
2227 community property required to be insured by the association
2228 pursuant to paragraph (b). The full insurable value shall be
2229 independently determined at least every 36 months. When
2230 determining the adequate amount of property insurance coverage,
2231 the association may include reasonable deductibles as determined
2232 by the board. ~~The replacement cost must be determined at least~~
2233 ~~once every 36 months.~~

2234 1. An association or group of associations may provide
2235 adequate property insurance through a self-insurance fund that
2236 complies with the requirements of ss. 624.460-624.488.

2237 2. The association may also provide adequate property
2238 insurance coverage for a group of at least three communities
2239 created and operating under this chapter, ~~chapter 719, chapter~~
2240 ~~720,~~ or chapter 721 by obtaining and maintaining for such
2241 communities insurance coverage sufficient to cover an amount
2242 equal to the probable maximum loss for the communities for a
2243 250-year windstorm event. Such probable maximum loss must be
2244 determined through the use of a competent model that has been
2245 accepted by the Florida Commission on Hurricane Loss Projection
2246 Methodology. A policy or program providing such coverage may not
2247 be issued or renewed after July 1, 2008, unless it has been
2248 reviewed and approved by the Office of Insurance Regulation. The
2249 review and approval must include approval of the policy and
2250 related forms pursuant to ss. 627.410 and 627.411, approval of
2251 the rates pursuant to s. 627.062, a determination that the loss
2252 model approved by the commission was accurately and
2253 appropriately applied to the insured structures to determine the
2254 250-year probable maximum loss, and a determination that
2255 complete and accurate disclosure of all material provisions is
2256 provided to common interest community ~~condominium~~ unit owners
2257 before execution of the agreement by a common interest community
2258 ~~condominium~~ association.

2259 3. When determining the adequate amount of property
2260 insurance coverage, the association may consider deductibles as
2261 determined by this subsection.

2262 (b)1. Every policy issued to protect an association

2263 building must provide that the term "building," wherever used in
2264 the policy, shall include, but not be limited to, the entry
2265 doors, glass in windows and sliding glass doors exposed to the
2266 elements, fixtures, installations, or additions comprising that
2267 part of the building within the unfinished interior surfaces of
2268 the perimeter walls, floors, and ceilings of the individual
2269 units initially installed, or replacements thereof of like kind
2270 or quality, in accordance with the original plans and
2271 specifications, or as they existed at the time the unit was
2272 initially conveyed if the original plans and specifications are
2273 not available.

2274 2. The term "building" shall not include unit window
2275 treatments, wall coverings, ceiling coverings, floor coverings,
2276 electrical fixtures, appliances, air conditioner or heating
2277 equipment regardless of whether inside or outside the unit, and
2278 water heaters or built-in cabinets unless they are damaged by a
2279 covered peril under the association policy. With respect to the
2280 coverage under this subparagraph, the unit owners must be
2281 considered additional insured under the policy.

2282 (c) Every insurance policy issued to an individual owner
2283 shall provide that coverage afforded by the policy is greater
2284 than the amount recoverable under any other policy covering the
2285 same property without rights of subrogation against the
2286 association.

2287 (d) ~~(b)~~ If an association is a developer-controlled
2288 association, the association shall exercise its best efforts to

2289 obtain and maintain insurance as described in paragraph (a).
 2290 Failure to obtain and maintain adequate hazard property
 2291 insurance during any period of developer control constitutes an
 2292 individual a breach of fiduciary responsibility by the developer
 2293 and developer-appointed members of the board ~~of directors~~ of the
 2294 association, unless the members can show that despite such
 2295 failure, they ~~have~~ made their best efforts to maintain the
 2296 required coverage.

2297 ~~(c) Policies may include deductibles as determined by the~~
 2298 ~~board.~~

2299 ~~1. The deductibles must be consistent with industry~~
 2300 ~~standards and prevailing practice for communities of similar~~
 2301 ~~size and age, and having similar construction and facilities in~~
 2302 ~~the locale where the condominium property is situated.~~

2303 ~~2. The deductibles may be based upon available funds,~~
 2304 ~~including reserve accounts, or predetermined assessment~~
 2305 ~~authority at the time the insurance is obtained.~~

2306 ~~3. The board shall establish the amount of deductibles~~
 2307 ~~based upon the level of available funds and predetermined~~
 2308 ~~assessment authority at a meeting of the board in the manner set~~
 2309 ~~forth in s. 718.112(2)(c).~~

2310 ~~(d) An association controlled by unit owners operating as~~
 2311 ~~a residential condominium shall use its best efforts to obtain~~
 2312 ~~and maintain adequate property insurance to protect the~~
 2313 ~~association, the association property, the common elements, and~~
 2314 ~~the condominium property that must be insured by the association~~

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2315 ~~pursuant to this subsection.~~

2316 ~~(e)~~ (e) The documents ~~declaration of condominium~~ as
2317 originally recorded, or as amended pursuant to procedures
2318 provided therein, may provide that association ~~condominium~~
2319 property consisting of freestanding buildings comprised of no
2320 more than one building in or on such unit need not be insured by
2321 the association if the declaration requires the unit owner to
2322 obtain adequate insurance for the association ~~condominium~~
2323 property. An association may also obtain and maintain liability
2324 insurance for directors and officers, insurance for the benefit
2325 of association employees, and flood insurance for common
2326 elements and ~~association property, and units.~~

2327 (f) An individual unit owner's property insurance policy
2328 must provide that coverage afforded by such policy is excess
2329 coverage that is greater than the amount recoverable under any
2330 other policy covering the same property. Such policies must
2331 include loss assessment coverage of at least \$2,000 per
2332 occurrence and may not be offset by an assessment required for
2333 uninsured or underinsured losses. An insurance policy issued to
2334 an individual unit owner providing such coverage shall not
2335 provide rights of subrogation against the association operating
2336 the common interest community in which such individual's unit is
2337 located.

2338 ~~(f) Every property insurance policy issued or renewed on~~
2339 ~~or after January 1, 2009, for the purpose of protecting the~~
2340 ~~condominium must provide primary coverage for:~~

2341 ~~1. All portions of the condominium property as originally~~
 2342 ~~installed or replacement of like kind and quality, in accordance~~
 2343 ~~with the original plans and specifications.~~

2344 ~~2. All alterations or additions made to the condominium~~
 2345 ~~property or association property pursuant to s. 718.113(2).~~

2346 ~~3. The coverage must exclude all personal property within~~
 2347 ~~the unit or limited common elements, and floor, wall, and~~
 2348 ~~ceiling coverings, electrical fixtures, appliances, water~~
 2349 ~~heaters, water filters, built-in cabinets and countertops, and~~
 2350 ~~window treatments, including curtains, drapes, blinds, hardware,~~
 2351 ~~and similar window treatment components, or replacements of any~~
 2352 ~~of the foregoing which are located within the boundaries of the~~
 2353 ~~unit and serve only such unit. Such property and any insurance~~
 2354 ~~thereupon is the responsibility of the unit owner.~~

2355 ~~(g) A condominium unit owner policy must conform to the~~
 2356 ~~requirements of s. 627.714.~~

2357 ~~1. All reconstruction work after a property loss must be~~
 2358 ~~undertaken by the association except as otherwise authorized in~~
 2359 ~~this section. A unit owner may undertake reconstruction work on~~
 2360 ~~portions of the unit with the prior written consent of the board~~
 2361 ~~of administration. However, such work may be conditioned upon~~
 2362 ~~the approval of the repair methods, the qualifications of the~~
 2363 ~~proposed contractor, or the contract that is used for that~~
 2364 ~~purpose. A unit owner must obtain all required governmental~~
 2365 ~~permits and approvals before commencing reconstruction.~~

2366 ~~2. Unit owners are responsible for the cost of~~

2367 ~~reconstruction of any portions of the condominium property for~~
2368 ~~which the unit owner is required to carry property insurance, or~~
2369 ~~for which the unit owner is responsible under paragraph (j), and~~
2370 ~~the cost of any such reconstruction work undertaken by the~~
2371 ~~association is chargeable to the unit owner and enforceable as~~
2372 ~~an assessment and may be collected in the manner provided for~~
2373 ~~the collection of assessments pursuant to s. 718.116.~~

2374 ~~3. A multicondominium association may elect, by a majority~~
2375 ~~vote of the collective members of the condominiums operated by~~
2376 ~~the association, to operate the condominiums as a single~~
2377 ~~condominium for purposes of insurance matters, including, but~~
2378 ~~not limited to, the purchase of the property insurance required~~
2379 ~~by this section and the apportionment of deductibles and damages~~
2380 ~~in excess of coverage. The election to aggregate the treatment~~
2381 ~~of insurance premiums, deductibles, and excess damages~~
2382 ~~constitutes an amendment to the declaration of all condominiums~~
2383 ~~operated by the association, and the costs of insurance must be~~
2384 ~~stated in the association budget. The amendments must be~~
2385 ~~recorded as required by s. 718.110.~~

2386 ~~(g)(h)~~ The association shall maintain insurance or
2387 fidelity insurance bonding of all persons and firms who control
2388 or disburse funds of the association. The insurance policy or
2389 fidelity bond must cover the maximum funds that will be in the
2390 custody of the association or its management agent at any one
2391 time. As used in this paragraph, the term "persons who control
2392 or disburse funds of the association" includes, but is not

2393 ~~limited to, those individuals authorized to sign checks on~~
 2394 ~~behalf of the association, and the president, secretary, and~~
 2395 ~~treasurer of the association.~~ The association shall bear the
 2396 cost of any such insurance ~~bonding~~.

2397 (h)-(i) The association may amend the common interest
 2398 community documents to conform the documents to the coverage
 2399 requirements in this subsection ~~declaration of condominium~~
 2400 without regard to any requirement for approval by mortgagees of
 2401 amendments affecting insurance requirements ~~for the purpose of~~
 2402 ~~conforming the declaration of condominium to the coverage~~
 2403 ~~requirements of this subsection.~~

2404 (i)-(j) Any portion of the common interest community
 2405 ~~condominium~~ property required to ~~that must~~ be insured by the
 2406 association against ~~property loss~~ that ~~pursuant to paragraph (f)~~
 2407 ~~which~~ is damaged by covered peril ~~an insurable event~~ shall be
 2408 reconstructed, repaired, or replaced as necessary by the
 2409 association as a common expense. In the absence of an insurable
 2410 event, the association or the unit owners shall be responsible
 2411 for the reconstruction, repair, or replacement as determined by
 2412 the maintenance provisions of the declaration or bylaws. All
 2413 property insurance deductibles and other damages in excess of
 2414 property insurance coverage under the ~~property~~ insurance
 2415 policies maintained by the association are a common expense of
 2416 the association ~~condominium~~, except that:

2417 1. A unit owner is responsible for the costs of repair or
 2418 replacement of any portion of the common interest community

2419 ~~condominium~~ property not paid by insurance proceeds if such
 2420 damage is caused by intentional conduct, negligence, or failure
 2421 to comply with the terms of the declaration or the rules of the
 2422 association by a unit owner, the members of his or her family,
 2423 unit occupants, tenants, guests, or invitees, without compromise
 2424 of the subrogation rights of the insurer.

2425 2. The provisions of subparagraph 1. regarding the
 2426 financial responsibility of a unit owner for the costs of
 2427 repairing or replacing other portions of the common interest
 2428 community ~~condominium~~ property also apply to the costs of repair
 2429 or replacement of personal property of other unit owners or the
 2430 association, as well as other property, whether real or
 2431 personal, which the unit owners are required to insure.

2432 3. To the extent the cost of repair or reconstruction for
 2433 which the unit owner is responsible under this paragraph is
 2434 reimbursed to the association by insurance proceeds, and the
 2435 association has collected the cost of such repair or
 2436 reconstruction from the unit owner, the association shall
 2437 reimburse the unit owner without the waiver of any rights of
 2438 subrogation.

2439 4. The association is not obligated to pay for
 2440 reconstruction or repairs of property losses as a common expense
 2441 if the property losses were known or should have been known to a
 2442 unit owner and were not reported to the association until after
 2443 the insurance claim of the association for that property was
 2444 settled or resolved with finality, or denied because it was

2445 untimely filed.

2446 ~~(k) An association may, upon the approval of a majority of~~
2447 ~~the total voting interests in the association, opt out of the~~
2448 ~~provisions of paragraph (j) for the allocation of repair or~~
2449 ~~reconstruction expenses and allocate repair or reconstruction~~
2450 ~~expenses in the manner provided in the declaration as originally~~
2451 ~~recorded or as amended. Such vote may be approved by the voting~~
2452 ~~interests of the association without regard to any mortgagee~~
2453 ~~consent requirements.~~

2454 ~~(l) In a multicondominium association that has not~~
2455 ~~consolidated its financial operations under subsection (6), any~~
2456 ~~condominium operated by the association may opt out of the~~
2457 ~~provisions of paragraph (j) with the approval of a majority of~~
2458 ~~the total voting interests in that condominium. Such vote may be~~
2459 ~~approved by the voting interests without regard to any mortgagee~~
2460 ~~consent requirements.~~

2461 ~~(m) Any association or condominium voting to opt out of~~
2462 ~~the guidelines for repair or reconstruction expenses as~~
2463 ~~described in paragraph (j) must record a notice setting forth~~
2464 ~~the date of the opt-out vote and the page of the official~~
2465 ~~records book on which the declaration is recorded. The decision~~
2466 ~~to opt out is effective upon the date of recording of the notice~~
2467 ~~in the public records by the association. An association that~~
2468 ~~has voted to opt out of paragraph (j) may reverse that decision~~
2469 ~~by the same vote required in paragraphs (k) and (l), and notice~~
2470 ~~thereof shall be recorded in the official records.~~

2471 (j)~~(n)~~ The association is not obligated to pay for any
 2472 reconstruction or repair expenses due to ~~property~~ loss to any
 2473 additions or alterations ~~improvements~~ installed by a current or
 2474 former owner of the unit or by the developer if they were ~~the~~
 2475 ~~improvement benefits only the unit for which it was installed~~
 2476 ~~and is~~ not part of the standard improvements installed by the
 2477 developer on all units as part of original construction, whether
 2478 or not such addition or alteration ~~improvement~~ is located within
 2479 the unit. This paragraph does not relieve any party of its
 2480 obligations regarding recovery due under any insurance
 2481 implemented specifically for any such additions or alterations
 2482 ~~improvements~~.

2483 ~~(o) The provisions of this subsection shall not apply to~~
 2484 ~~timeshare condominium associations. Insurance for timeshare~~
 2485 ~~condominium associations shall be maintained pursuant to s.~~
 2486 ~~721.165.~~

2487 (12) OFFICIAL RECORDS.—

2488 (a) From the inception of the association, the association
 2489 shall maintain each of the following items, if applicable, that
 2490 constitute ~~which constitutes~~ the official records of the
 2491 association:

2492 1. A copy of the plans, permits, warranties, and other
 2493 items provided by the developer pursuant to s. 718.301(4).

2494 2. A photocopy of the recorded documents ~~declaration of~~
 2495 ~~condominium~~ of each common interest community ~~condominium~~
 2496 operated by the association and each amendment to each document

2497 ~~declaration.~~

2498 3. A photocopy of the recorded bylaws of the association
2499 and each amendment to the bylaws.

2500 4. A certified copy of the articles of incorporation of
2501 the association, or other documents creating the association,
2502 and each amendment thereto.

2503 5. A copy of the current rules of the association.

2504 6. A book or books that contain the minutes of all
2505 meetings of the association, the board of administration, and
2506 the unit owners, which minutes must be retained for at least 7
2507 years.

2508 7. A current roster of all unit owners and their mailing
2509 addresses, unit identifications, voting certifications, and, if
2510 known, telephone numbers. The association shall also maintain
2511 the electronic mailing addresses and facsimile numbers of unit
2512 owners consenting to receive notice by electronic transmission.
2513 The electronic mailing addresses and facsimile numbers are not
2514 accessible to unit owners if consent to receive notice by
2515 electronic transmission is not provided in accordance with
2516 subparagraph (e)5. ~~subparagraph (c)5.~~ However, the association
2517 is not liable for an inadvertent disclosure of the electronic
2518 mail address or facsimile number for receiving electronic
2519 transmission of notices.

2520 8. All current insurance policies of the association and
2521 common interest communities ~~condominiums~~ operated by the
2522 association.

2523 9. A current copy of any management agreement, lease, or
 2524 other contract to which the association is a party or under
 2525 which the association or the unit owners have an obligation or
 2526 responsibility.

2527 10. Bills of sale or transfer for all property owned by
 2528 the association.

2529 11. Accounting records for the association and separate
 2530 accounting records for each common interest community
 2531 ~~condominium~~ that the association operates. All accounting
 2532 records must be maintained for at least 7 years. Any person who
 2533 knowingly or intentionally defaces or destroys such records, or
 2534 who knowingly or intentionally fails to create or maintain such
 2535 records, with the intent of causing harm to the association or
 2536 one or more of its members, is personally subject to a civil
 2537 penalty pursuant to s. 718.501(1)(d). The accounting records
 2538 must include, but are not limited to:

2539 a. Accurate, itemized, and detailed records of all
 2540 receipts and expenditures.

2541 b. A current account and a monthly, bimonthly, or
 2542 quarterly statement of the account for each unit designating the
 2543 name of the unit owner, the due date and amount of each
 2544 assessment, the amount paid on the account, and the balance due.

2545 c. All audits, reviews, accounting statements, and
 2546 financial reports of the association or common interest
 2547 community ~~condominium~~.

2548 d. All contracts for work to be performed. Bids for work

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2549 to be performed are also considered official records and must be
2550 maintained by the association.

2551 12. Ballots, sign-in sheets, voting proxies, and all other
2552 papers relating to voting by unit owners, that ~~which~~ must be
2553 maintained for 1 year from the date of the election, vote, or
2554 meeting to which the document relates, notwithstanding paragraph
2555 (b).

2556 13. All rental records if the association is acting as
2557 agent for the rental of common interest community ~~condominium~~
2558 units.

2559 14. A copy of the current question and answer sheet as
2560 described in s. 718.504.

2561 15. All other written records of the association not
2562 specifically included in the foregoing that ~~which~~ are related to
2563 the operation of the association.

2564 16. A copy of the inspection report as described in s.
2565 718.301(4)(p).

2566 (b) The official records of the association must be
2567 maintained within the state for at least 7 years. The records of
2568 the association shall be made available to a unit owner within
2569 45 miles of the common interest community ~~condominium~~ property
2570 or within the county in which the common interest community
2571 ~~condominium~~ property is located within 5 working days after
2572 receipt of a written request by the board or its designee.
2573 However, such distance requirement does not apply to an
2574 association governing a timeshare common interest community

2575 ~~condominium~~. This paragraph may be complied with by having a
 2576 copy of the official records of the association available for
 2577 inspection or copying on the common interest community
 2578 ~~condominium~~ property or association property, or the association
 2579 may offer the option of making the records available to a unit
 2580 owner electronically via the Internet or by allowing the records
 2581 to be viewed in electronic format on a computer screen and
 2582 printed upon request.

2583 (c) The association is not responsible for the use or
 2584 misuse of the information provided to an association member or
 2585 his or her authorized representative pursuant to the compliance
 2586 requirements of this chapter unless the association has an
 2587 affirmative duty not to disclose such information pursuant to
 2588 this chapter.

2589 (d) ~~(e)~~ The official records of the association are open to
 2590 inspection by any association member or the authorized
 2591 representative of such member at all reasonable times. The right
 2592 to inspect the records includes the right to make or obtain
 2593 copies, at the reasonable expense, if any, of the member. The
 2594 division shall establish ~~association may adopt~~ reasonable rules
 2595 that do not restrict access to the records ~~regarding the~~
 2596 ~~frequency, time, location, notice,~~ and manner of record
 2597 inspections and copying.

2598 1. The failure of an association to provide the records
 2599 within 10 working days after receipt of a written request
 2600 creates a rebuttable presumption that the association willfully

2601 failed to comply with this paragraph. A unit owner who is denied
 2602 access to official records is entitled to the actual damages or
 2603 minimum damages for the association's willful failure to comply.
 2604 Minimum damages are \$100 ~~\$50~~ per calendar day for up to 10 days,
 2605 beginning on the 6th ~~11th~~ working day after receipt of the
 2606 written request. Damages may not be awarded if the documents are
 2607 available in the official records of the county in which the
 2608 association is located.

2609 2. The failure to permit inspection entitles any person
 2610 prevailing in an enforcement action to recover reasonable
 2611 attorney fees from the person in control of the records who,
 2612 directly or indirectly, knowingly denied access to the records.

2613 3. Any person who knowingly or intentionally defaces or
 2614 destroys accounting records that are required by this chapter to
 2615 be maintained during the period that ~~for which~~ such records are
 2616 required to be maintained, or who knowingly or intentionally
 2617 fails to create or maintain ~~accounting~~ records that are required
 2618 to be created or maintained, with the intent of causing harm to
 2619 the association or one or more of its members, is personally
 2620 subject to a civil penalty pursuant to s. 718.501(1)(d).

2621 4. The association shall maintain an adequate number of
 2622 copies of the documents ~~declaration~~, articles of incorporation,
 2623 bylaws, and rules, and all amendments to each of the foregoing,
 2624 as well as the question and answer sheet as described in s.
 2625 718.504, the inspection report provided for in s. 718.301(4)(p),
 2626 and year-end financial information required under this section,

2627 on the common interest community ~~condominium~~ property to ensure
2628 their availability to unit owners and prospective buyers within
2629 24 business hours after a request ~~purchasers~~, and may charge 25
2630 cents per page ~~its actual costs~~ for preparing and furnishing
2631 these documents to those requesting the documents, unless the
2632 documents are electronically transmitted.

2633 5. An association shall allow a member or his or her
2634 authorized representative to use a portable device, including a
2635 smartphone, tablet, portable scanner, or any other technology
2636 capable of scanning or taking photographs, to make an electronic
2637 copy of the official records in lieu of the association's
2638 providing the member or his or her authorized representative
2639 with a copy of such records. The association may not charge a
2640 member or his or her authorized representative for the use of a
2641 portable device.

2642 6. Any charge for personnel time to retrieve records must
2643 be reasonable and based on the compensation of the lowest paid
2644 employee of the records custodian or \$20 per hour, whichever is
2645 less. Personnel costs may not be added to the cost of making
2646 photocopies as provided in this paragraph.

2647 7. This paragraph is not meant to obstruct, delay, hinder,
2648 or impede the access to and inspection of records but is meant
2649 to be used as a guide for controlled business processes.

2650 8. This paragraph does not restrict the association's
2651 ability to provide more expeditious procedures that facilitate
2652 inspection and retrieval of information.

2653 9. This paragraph does not restrict or delay inspection of
 2654 any records by a member of the board of directors or his or her
 2655 designee who is granted access to the records when requested.

2656 (e) Notwithstanding this paragraph, the following records
 2657 are not accessible to unit owners:

2658 1. Any record protected by the lawyer-client privilege as
 2659 described in s. 90.502 and any record protected by the work-
 2660 product privilege, including a record prepared by an association
 2661 attorney or prepared at the attorney's express direction, that
 2662 ~~which~~ reflects a mental impression, conclusion, litigation
 2663 strategy, or legal theory of the attorney or the association,
 2664 and ~~which~~ was prepared exclusively for civil or criminal
 2665 litigation or for adversarial administrative proceedings, or
 2666 ~~which~~ was prepared in anticipation of such litigation or
 2667 proceedings until the conclusion of the litigation or
 2668 proceedings.

2669 2. Information obtained by an association in connection
 2670 with the approval of the lease, sale, or other transfer of a
 2671 unit.

2672 3. Personnel records of association or management company
 2673 employees, including, but not limited to, disciplinary, payroll,
 2674 health, and insurance records. For purposes of this
 2675 subparagraph, the term "personnel records" does not include
 2676 written employment agreements with an association employee or
 2677 management company, or budgetary or financial records that
 2678 indicate the compensation paid to an association employee.

2679 | 4. Medical records of unit owners.

2680 | 5. Social security numbers, driver license numbers, credit

2681 | card numbers, e-mail addresses, telephone numbers, facsimile

2682 | numbers, emergency contact information, addresses of a unit

2683 | owner other than as provided to fulfill the association's notice

2684 | requirements, and other personal identifying information of any

2685 | person, excluding the person's name, unit designation, mailing

2686 | address, property address, and any address, e-mail address, or

2687 | facsimile number provided to the association to fulfill the

2688 | association's notice requirements. Notwithstanding the

2689 | restrictions in this subparagraph, an association may print and

2690 | distribute to parcel owners a directory containing the name,

2691 | parcel address, and all telephone numbers of each parcel owner.

2692 | However, an owner may exclude his or her telephone numbers from

2693 | the directory by so requesting in writing to the association. An

2694 | owner may consent in writing to the disclosure of other contact

2695 | information described in this subparagraph. The association is

2696 | not liable for the inadvertent disclosure of information that is

2697 | protected under this subparagraph if the information is included

2698 | in an official record of the association and is voluntarily

2699 | provided by an owner and not requested by the association.

2700 | 6. Electronic security measures that are used by the

2701 | association to safeguard data, including passwords.

2702 | 7. The software and operating system used by the

2703 | association which allow the manipulation of data, even if the

2704 | owner owns a copy of the same software used by the association.

2705 The data is part of the official records of the association.
 2706 (f)~~(d)~~ The association shall prepare a question and answer
 2707 sheet as described in s. 718.504, and shall update it annually.
 2708 (g)~~(e)~~1. The association or its authorized agent is not
 2709 required to provide a prospective purchaser or lienholder with
 2710 information about the common interest community ~~condominium~~ or
 2711 the association other than information or documents required by
 2712 this chapter to be made available or disclosed. The association
 2713 or its authorized agent may charge a reasonable fee to the
 2714 prospective purchaser, lienholder, or the current unit owner for
 2715 providing good faith responses to requests for information by or
 2716 on behalf of a prospective purchaser or lienholder, other than
 2717 that required by law, if the fee does not exceed \$150 plus the
 2718 reasonable cost of photocopying and any attorney ~~attorney's~~ fees
 2719 incurred by the association in connection with the response.
 2720 2. An association and its authorized agent are not liable
 2721 for providing such information in good faith pursuant to a
 2722 written request if the person providing the information includes
 2723 a written statement in substantially the following form: "THE
 2724 RESPONSES HEREIN ARE MADE IN GOOD FAITH AND TO THE BEST OF MY
 2725 ABILITY AS TO THEIR ACCURACY."
 2726 (h)~~(f)~~ An outgoing board or committee member must
 2727 relinquish all official records and property of the association
 2728 in his or her possession or under his or her control to the
 2729 incoming board within 5 days after the election. The division
 2730 shall impose a civil penalty as set forth in s. 718.501(1)(d)6.

2731 against an outgoing board or committee member who willfully and
 2732 knowingly fails to relinquish such records and property.

2733 (13) FINANCIAL REPORTING. ~~Within 90 days after the end of~~
 2734 ~~the fiscal year, or annually on a date provided in the bylaws,~~
 2735 The association shall prepare and complete, or contract for the
 2736 preparation and completion of, a financial report for the
 2737 preceding fiscal year. When a certified public accountant is
 2738 retained to provide the financial report, the association shall
 2739 provide the accountant with the required information within 45
 2740 days after the end of the fiscal year. Within 10 21 days after
 2741 the final financial report is completed by the association or
 2742 received from the third party, but not later than 90 120 days
 2743 after the end of the fiscal year or other date as provided in
 2744 the bylaws, the association shall mail to each unit owner at the
 2745 address last furnished to the association by the unit owner, or
 2746 hand deliver to each unit owner, a copy of the financial report
 2747 or a notice that a copy of the financial report will be
 2748 electronically transmitted, mailed, or hand delivered to the
 2749 unit owner, without charge, upon receipt of a written request
 2750 from the unit owner.

2751 (a) The division shall adopt rules setting forth uniform
 2752 accounting principles and standards to be used by all
 2753 associations and addressing the financial reporting requirements
 2754 for multi-common interest community ~~multicondominium~~
 2755 associations. The rules must include, but not be limited to,
 2756 uniform reporting procedures ~~standards~~ for disclosure of the

2757 ~~presenting a summary of association reserves, including~~
2758 ~~information providing whether the reserves were and are~~
2759 ~~currently being funded on a straight line or pooled basis at a~~
2760 ~~level that provides equal contributions over the remaining life~~
2761 ~~of the elements consistent with an equal contribution over the~~
2762 ~~total useful life of the elements sufficient to prevent the need~~
2763 ~~for a balloon payment or special assessment if continued at the~~
2764 ~~same level and, if not, the amount necessary to bring the~~
2765 ~~reserves up to the level necessary to avoid a special assessment~~
2766 ~~or balloon payment a good faith estimate disclosing the annual~~
2767 ~~amount of reserve funds that would be necessary for the~~
2768 ~~association to fully fund reserves for each reserve item based~~
2769 ~~on the straight line accounting method. This disclosure is not~~
2770 ~~applicable to reserves funded via the pooling method. In~~
2771 ~~adopting such rules, the division shall consider the number of~~
2772 ~~members and annual revenues of an association.~~

2773 (b) Within 30 days after the end of the fiscal year, the
2774 monthly report, including the year-to-date report, before the
2775 certified public accountant's financial reports are made
2776 available shall be electronically transmitted, mailed, or hand
2777 delivered to unit owners without charge upon request.

2778 (c) The person preparing the financial reports is entitled
2779 to rely on the inspection report provided for in s.
2780 718.301(4)(p), if it is no more than 3 years old, to meet the
2781 fiscal and fiduciary standards of this chapter. In adopting
2782 rules consistent with this paragraph, the division shall

2783 consider the annual revenues of the association.

2784 (d) Financial statements ~~reports~~ shall be prepared as
2785 follows:

2786 1.~~(a)~~ An association ~~that meets the criteria of this~~
2787 ~~paragraph~~ shall prepare a complete set of financial statements
2788 in accordance with generally accepted accounting principles. The
2789 financial statements must be based upon the association's total
2790 annual revenues, as follows:

2791 a.1. An association with total annual revenues ~~of \$150,000~~
2792 ~~or more, but~~ less than \$150,000 ~~\$300,000~~, shall prepare compiled
2793 financial statements.

2794 b.2. An association with total annual revenues of at least
2795 \$150,000 ~~\$300,000~~, but less than \$500,000, shall prepare
2796 reviewed financial statements.

2797 c.3. An association with total annual revenues of \$500,000
2798 or more shall prepare audited financial statements.

2799 ~~(b)1.~~ An association with total annual revenues of less
2800 than \$150,000 shall prepare a report of cash receipts and
2801 expenditures.

2802 ~~2.~~ An association that operates fewer than 50 units,
2803 regardless of the association's annual revenues, shall prepare a
2804 report of cash receipts and expenditures in lieu of financial
2805 statements required by paragraph (a).

2806 2.3. Financial statements ~~A report of cash receipts and~~
2807 ~~disbursements~~ must disclose the amount of receipts by accounts
2808 and receipt classifications and the amount of expenses by

2809 accounts and expense classifications, including, but not limited
 2810 to, the following, as applicable: costs for security,
 2811 professional and management fees and expenses, taxes, costs for
 2812 recreation facilities, expenses for refuse collection and
 2813 utility services, expenses for lawn care, costs for building
 2814 maintenance and repair, insurance costs, administration and
 2815 salary expenses, and reserves accumulated and expended for
 2816 capital expenditures, deferred maintenance, and any other
 2817 category for which the association maintains reserves.

2818 (e)-(e) The board An association may prepare or cause to be
 2819 prepared a higher level of reporting, without a meeting of or
 2820 approval by the unit owners;

2821 ~~1. Compiled, reviewed, or audited financial statements, if~~
 2822 ~~the association is required to prepare a report of cash receipts~~
 2823 ~~and expenditures;~~

2824 ~~2. Reviewed or audited financial statements, if the~~
 2825 ~~association is required to prepare compiled financial~~
 2826 ~~statements; or~~

2827 ~~3. Audited financial statements if the association is~~
 2828 ~~required to prepare reviewed financial statements.~~

2829 (f)-(d) If approved by a majority of the voting interests
 2830 present at a properly called meeting of the association, an
 2831 association may prepare or cause to be prepared a lower level of
 2832 reporting, but not lower than the level of reporting required in
 2833 paragraph (d).

2834 (g) If an association is under developer control, the

2835 developer must hire a certified public accountant firm to
 2836 prepare the appropriate fiscal year report in accordance with
 2837 generally accepted accounting principles. The certified public
 2838 accountant firm must be licensed in the state and have passed
 2839 its current peer review administered by the American Institute
 2840 of Certified Public Accountants. The developer may not waive or
 2841 modify its reporting requirements pursuant to this subsection.
 2842 Any report prepared under this paragraph shall be paid for by
 2843 the developer.÷

2844 ~~1. A report of cash receipts and expenditures in lieu of a~~
 2845 ~~compiled, reviewed, or audited financial statement;~~

2846 ~~2. A report of cash receipts and expenditures or a~~
 2847 ~~compiled financial statement in lieu of a reviewed or audited~~
 2848 ~~financial statement; or~~

2849 ~~3. A report of cash receipts and expenditures, a compiled~~
 2850 ~~financial statement, or a reviewed financial statement in lieu~~
 2851 ~~of an audited financial statement.~~

2852
 2853 ~~Such meeting and approval must occur before the end of the~~
 2854 ~~fiscal year and is effective only for the fiscal year in which~~
 2855 ~~the vote is taken, except that the approval may also be~~
 2856 ~~effective for the following fiscal year. If the developer has~~
 2857 ~~not turned over control of the association, all unit owners,~~
 2858 ~~including the developer, may vote on issues related to the~~
 2859 ~~preparation of the association's financial reports, from the~~
 2860 ~~date of incorporation of the association through the end of the~~

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2861 ~~second fiscal year after the fiscal year in which the~~
2862 ~~certificate of a surveyor and mapper is recorded pursuant to s.~~
2863 ~~718.104(4) (e) or an instrument that transfers title to a unit in~~
2864 ~~the condominium which is not accompanied by a recorded~~
2865 ~~assignment of developer rights in favor of the grantee of such~~
2866 ~~unit is recorded, whichever occurs first. Thereafter, all unit~~
2867 ~~owners except the developer may vote on such issues until~~
2868 ~~control is turned over to the association by the developer. Any~~
2869 ~~audit or review prepared under this section shall be paid for by~~
2870 ~~the developer if done before turnover of control of the~~
2871 ~~association. An association may not waive the financial~~
2872 ~~reporting requirements of this section for more than 3~~
2873 ~~consecutive years.~~

2874 (14) COMMINGLING.—All funds collected by an association
2875 shall be maintained separately in the association's name. ~~For~~
2876 ~~investment purposes only, reserve funds may be commingled with~~
2877 ~~operating funds of the association. Commingled Operating and~~
2878 ~~reserve funds shall be accounted for separately in, and a~~
2879 ~~commingled account and shall not, at any time, be less than the~~
2880 ~~amount identified as reserve funds. A community association~~
2881 ~~manager or community association management firm required to be~~
2882 ~~licensed under s. 468.432, or an agent, employee, officer, or~~
2883 ~~director of an association, may not commingle any association~~
2884 ~~funds with his or her funds or with the funds of any other~~
2885 ~~association.~~

2886 (a) All association funds held by a developer shall be

2887 maintained separately in the association's name. Reserve and
2888 operating funds of the association may not be commingled before
2889 turnover of control of the association.

2890 (b) A developer in control of a common interest community
2891 association may not commingle any association funds with his or
2892 her funds or with the funds of any other common interest
2893 community association.

2894 (c) Association funds may not be used by a developer to
2895 defend a civil or criminal action, administrative proceeding, or
2896 arbitration proceeding filed against the developer or directors
2897 appointed to the association board by the developer, including
2898 any action or proceeding involving the operation of the
2899 developer-controlled association.

2900 (d) This subsection does not prohibit a multi-common
2901 interest community ~~multicondominium~~ association from commingling
2902 the operating funds of separate common interest communities
2903 ~~condominiums~~ or the reserve funds of separate common interest
2904 communities ~~condominiums~~. Furthermore, for investment purposes
2905 only, a multi-common interest community ~~multicondominium~~
2906 association may commingle the operating funds of separate common
2907 interest communities ~~condominiums~~ with the reserve funds of
2908 separate common interest communities ~~condominiums~~.

2909 (e) A manager ~~or business entity~~ required to be licensed
2910 ~~or registered~~ under s. 468.432, or an agent, employee, officer,
2911 or director of an association, shall not commingle any
2912 association funds with his or her funds or with the funds of any

2913 other common interest community ~~condominium~~ association or the
 2914 funds of a community association as defined in s. 468.431.

2915 (15) LIMITATION OF LIABILITY OF ASSOCIATION.—After
 2916 turnover from the developer, notwithstanding the duty of the
 2917 association to maintain and repair parts of the common interest
 2918 community property, the association is not liable to unit owners
 2919 for injury or damage, other than for the cost of maintenance and
 2920 repair, caused by any latent defect of the property. The
 2921 association is not liable for any injury or damage caused by
 2922 such defects in design or workmanship or any other reason
 2923 connected with any additions, alterations, or improvements made
 2924 by or on behalf of any unit owner, regardless of whether the
 2925 same shall have been approved by the association pursuant to the
 2926 provisions of this subsection. The documents shall include, and
 2927 if not included shall be deemed to include, the following:

2928
 2929 NOTWITHSTANDING ANYTHING CONTAINED IN THIS DOCUMENT OR IN THE
 2930 ARTICLES OF INCORPORATION, BY-LAWS, ANY RULES OR REGULATIONS OF
 2931 THE ASSOCIATION, OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE
 2932 ASSOCIATION (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS"), THE
 2933 ASSOCIATION IS NOT LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER
 2934 DEEMED A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY, AND/OR
 2935 WELFARE OF ANY OWNER, OCCUPANT, OR USER OF ANY PORTION OF THE
 2936 COMMON INTEREST COMMUNITY PROPERTY, INCLUDING, WITHOUT
 2937 LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES,
 2938 AGENTS, SERVANTS, CONTRACTORS, OR SUBCONTRACTORS OR FOR ANY

2939 PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF
 2940 THE FOREGOING:

2941
 2942 (A) IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT
 2943 THE VARIOUS PROVISIONS OF THE DOCUMENTS THAT ARE ENFORCEABLE BY
 2944 THE ASSOCIATION AND THAT GOVERN OR REGULATE THE USES OF THE
 2945 COMMON INTEREST COMMUNITY PROPERTY HAVE BEEN WRITTEN, AND ARE TO
 2946 BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING
 2947 AND MAINTAINING THE ENJOYMENT OF THE COMMON INTEREST COMMUNITY
 2948 PROPERTY AND THE VALUE OF THE PROPERTY.

2949
 2950 (B) THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED,
 2951 TO ACT AS AN ENTITY THAT ENFORCES OR ENSURES COMPLIANCE WITH THE
 2952 LAWS OF THE UNITED STATES, THE STATE OF FLORIDA, COUNTY,
 2953 AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS
 2954 ACTIVITIES.

2955
 2956 (C) ANY PROVISIONS OF THE ASSOCIATION DOCUMENTS ESTABLISHING
 2957 THE USES OF ASSESSMENTS THAT RELATE TO HEALTH, SAFETY, AND/OR
 2958 WELFARE OF ANY OWNER, OCCUPANT, OR USER OF ANY PORTION OF THE
 2959 COMMON INTEREST COMMUNITY PROPERTY SHALL BE INTERPRETED AND
 2960 APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND
 2961 NOT AS CREATING A DUTY OF THE ASSOCIATION TO PROTECT OR FURTHER
 2962 THE HEALTH, SAFETY, AND/OR WELFARE OF ANY SUCH PERSON, EVEN IF
 2963 ASSESSMENT FUNDS ARE USED FOR ANY SUCH REASON.

2964

2965 (D) A UNIT OWNER, BY VIRTUE OF HIS OR HER ACCEPTANCE OF TITLE
 2966 TO HIS OR HER UNIT, AND ANY OTHER PERSON HAVING AN INTEREST IN
 2967 OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE COMMON
 2968 INTEREST COMMUNITY PROPERTY, BY VIRTUE OF ACCEPTING SUCH
 2969 INTEREST OR MAKING SUCH USES, IS BOUND BY THIS PROVISION AND
 2970 WAIVES ALL RIGHTS, CLAIMS, DEMANDS, AND CAUSES OF ACTION AGAINST
 2971 THE ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR
 2972 WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN
 2973 THIS PROVISION.

2974
 2975 (E) AS USED IN THIS SECTION, THE TERM "ASSOCIATION" INCLUDES
 2976 ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND
 2977 BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS, MANAGEMENT
 2978 COMPANIES, SUBCONTRACTORS, SUCCESSORS, AND ASSIGNEES.

2979 Section 51. Section 718.112, Florida Statutes, is amended
 2980 to read:

2981 718.112 Bylaws.—

2982 (1) GENERALLY.—

2983 (a) The operation of the association shall be governed by
 2984 the articles of incorporation ~~if the association is~~
 2985 ~~incorporated,~~ and the bylaws of the association that, ~~which~~
 2986 shall be included as exhibits to the recorded declaration. If
 2987 one association operates more than one common interest community
 2988 ~~condominium,~~ it shall not be necessary to rerecord the same
 2989 articles of incorporation and bylaws as exhibits to each
 2990 declaration after the first, provided that in each case where

2991 the articles and bylaws are not so recorded, the declaration
 2992 expressly incorporates them by reference as exhibits and
 2993 identifies the book and page of the public records where the
 2994 first declaration to which they were attached is recorded.

2995 (b) No amendment to the articles of incorporation or
 2996 bylaws is valid unless recorded with identification on the first
 2997 page thereof of the book and page of the public records where
 2998 the declaration of each common interest community ~~condominium~~
 2999 operated by the association is recorded.

3000 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the
 3001 following and, if they do not do so, shall be deemed to include
 3002 the following:

3003 (a) Administration.—

3004 1. The form of administration of the association shall be
 3005 described indicating the title of the officers and board of
 3006 directors ~~administration~~ and specifying the responsibilities
 3007 ~~powers,~~ duties, manner of selection, and removal, ~~and~~
 3008 ~~compensation, if any,~~ of officers and board members ~~boards~~. In
 3009 the absence of such a provision, the board of directors
 3010 ~~administration~~ shall be composed of five members, except in the
 3011 case of a common interest community ~~condominium~~ ~~which~~ has
 3012 50 ~~five~~ or fewer units, in which case ~~in a not-for-profit~~
 3013 ~~corporation~~ the board shall consist of at least ~~not fewer than~~
 3014 three members. In the absence of provisions to the contrary in
 3015 the bylaws, the board of directors ~~administration~~ shall have a
 3016 president, a secretary, and a treasurer, who shall perform the

3017 duties of such officers customarily performed by officers of
3018 corporations. Unless prohibited in the bylaws, the board of
3019 directors ~~administration~~ may appoint other officers and grant
3020 them the duties it deems appropriate. Unless otherwise provided
3021 in the bylaws, the officers shall serve without compensation and
3022 at the pleasure of the board of administration. Unless otherwise
3023 provided in the bylaws, the members of the board shall serve
3024 without compensation.

3025 2. When a unit owner of a residential unit ~~condominium~~
3026 files a written inquiry and has proof of delivery to by
3027 ~~certified mail with the~~ association or its manager ~~board of~~
3028 ~~administration~~, the board shall respond in writing to the unit
3029 owner within 15 ~~30~~ days after receipt of the inquiry. The
3030 board's response shall ~~either~~ give a substantive response to the
3031 inquirer, notify the inquirer that a legal opinion has been
3032 requested, or notify the inquirer that advice has been requested
3033 from the division. If ~~the board requests~~ advice is requested
3034 from the division, the board shall, within 10 days after ~~its~~
3035 receipt of the advice, provide in writing a substantive response
3036 to the inquirer. If a legal opinion is requested, the board
3037 shall, within 30 ~~60~~ days after the receipt of the inquiry,
3038 provide ~~in writing~~ a substantive response to the inquiry. The
3039 failure to provide a substantive response to the inquiry as
3040 provided in this subparagraph ~~herein~~ precludes the association
3041 ~~board~~ from recovering attorney fees and costs in any subsequent
3042 litigation, administrative proceeding, or arbitration arising

3043 out of the inquiry. The division shall ~~association may through~~
3044 ~~its board of administration~~ adopt reasonable policies ~~rules and~~
3045 ~~regulations~~ regarding the ~~frequency and manner of~~ responding to
3046 unit owner inquiries, ~~one of which may be that the association~~
3047 ~~is only obligated to respond to one written inquiry per unit in~~
3048 ~~any given 30-day period. In such a case, any additional inquiry~~
3049 ~~or inquiries must be responded to in the subsequent 30-day~~
3050 ~~period, or periods, as applicable.~~

3051 3. Any substantive response must include, at a minimum, a
3052 restatement of the issue presented by the owner, the board's
3053 written response to the issue, and the board's actions or
3054 intended actions in response to the issue, in addition to all
3055 other facts, opinions, requests, and positions taken that are
3056 relevant to the issue. In the event an outside opinion was
3057 requested by the board and the request was conveyed to the unit
3058 owner in an initial response causing a delayed final response,
3059 the outside opinion text will also be included in the board's
3060 subsequent response to the unit owner.

3061 4. A unit owner who does not receive a substantive
3062 response within 15 days is entitled to the actual damages or
3063 minimum damages for the association's willful failure to comply
3064 with this paragraph. The minimum damages shall be \$100 per
3065 calendar day for up to 20 business days, beginning on the 16th
3066 business day after receipt of the written request. The time
3067 limit may only be extended if the division has not responded.

3068 (b) Quorum; voting requirements; proxies.—

3069 1. Unless a lower number is provided in the bylaws, the
 3070 percentage of voting interests required to constitute a quorum
 3071 at a meeting of the members in a residential association is a
 3072 majority of the total eligible voting interests. Unless
 3073 otherwise provided in this chapter or in the declaration,
 3074 articles of incorporation, or bylaws, and except as provided in
 3075 subparagraph (d)8. ~~subparagraph (d)4.~~, decisions shall be made
 3076 by a majority of the voting interests represented at a meeting
 3077 where ~~at which~~ a quorum is present.

3078 a. If a quorum is not attained, the meeting may be
 3079 rescheduled within 30 days with a notice of at least 14 days to
 3080 the members not present in person or by proxy. The rescheduled
 3081 meetings shall have a quorum requirement of 40 percent of the
 3082 total eligible voting interests and, if a quorum is not
 3083 attained, may be rescheduled as many times as necessary with the
 3084 quorum requirement reduced by 10 percent for each rescheduled
 3085 meeting until a quorum is attained.

3086 b. Unless otherwise provided in this chapter or in the
 3087 articles of incorporation or bylaws, decisions that require a
 3088 vote of the members in a residential association must be
 3089 approved by at least a majority of the voting interests present,
 3090 in person or by proxy, at a meeting where a quorum has been
 3091 attained.

3092 c. Proxies provided for the original meeting are valid for
 3093 each successive meeting if the successive meeting is held not
 3094 more than 90 days after the date of the original meeting.

3095 2. Except as specifically otherwise provided herein, unit
 3096 owners in a residential association ~~condominium~~ may not vote by
 3097 general proxy, but may vote by limited proxies substantially
 3098 conforming to a limited proxy form adopted by the division.

3099 a. A voting interest or consent right allocated to a unit
 3100 owned by the association may not be exercised or considered for
 3101 any purpose, whether for a quorum, an election, or otherwise.

3102 b. Limited proxies and general proxies may be used to
 3103 establish a quorum.

3104 c. Limited proxies shall be used for votes taken to waive
 3105 or reduce reserves in accordance with subparagraph (g)2.
 3106 ~~subparagraph (f)2.~~

3107 d. For votes taken to waive the financial reporting
 3108 requirements of s. 718.111(13).~~†~~

3109 e. For votes taken to amend the documents ~~declaration~~
 3110 pursuant to s. 718.110.~~†~~

3111 f. For votes taken to amend the articles of incorporation
 3112 or bylaws pursuant to this section.~~†~~ ~~and~~

3113 g. For any other matter for which this chapter requires or
 3114 permits a vote of the unit owners.

3115 h. Limited proxies and general proxies may not be used for
 3116 the election of board members in a residential association.
 3117 General proxies may be used for matters for which limited
 3118 proxies are not required, and may be used to vote for
 3119 nonsubstantive changes to items for which a limited proxy is
 3120 required and given. Notwithstanding this sub-subparagraph, a

3121 unit owner may vote in person at unit owner meetings.
 3122 3. Except as specifically otherwise provided in this
 3123 paragraph, unit owners in a residential association may not vote
 3124 by general proxies, but may vote by limited proxies
 3125 substantially conforming to a limited proxy form adopted by the
 3126 division. A voting interest or consent right allocated to a unit
 3127 owned by the association may not be exercised or considered for
 3128 any purpose, including a quorum, an election, or any other
 3129 matter.
 3130 4. Limited proxies and general proxies may be used to
 3131 establish a quorum.
 3132 5. Limited proxies may be used for votes taken to waive or
 3133 reduce reserves in accordance with subparagraph (f)2. for votes
 3134 taken:
 3135 a. To waive the financial reporting requirements in s.
 3136 718.111(13);
 3137 b. To amend the declaration pursuant to s. 718.110;
 3138 c. To amend the articles of incorporation or bylaws
 3139 pursuant to this section; or
 3140 d. For any other matter that this chapter requires or
 3141 authorizes a vote of the unit owners.
 3142
 3143 This subparagraph does not limit the use of general proxies or
 3144 require the use of limited proxies for any agenda item or
 3145 election at any meeting of a timeshare association or a
 3146 nonresidential association.

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3147 6. Except as provided in paragraph (d), a limited proxy or
3148 general proxy, ~~limited or general~~, may not be used in the
3149 election of board members ~~in a residential condominium~~. General
3150 proxies may be used for other matters for which limited proxies
3151 are not required, and may be used in voting for nonsubstantive
3152 changes to items for which a limited proxy is required and
3153 given. Notwithstanding this ~~paragraph~~ subparagraph, unit owners
3154 may vote in person at unit owner meetings. ~~This subparagraph~~
3155 ~~does not limit the use of general proxies or require the use of~~
3156 ~~limited proxies for any agenda item or election at any meeting~~
3157 ~~of a timeshare condominium association or a nonresidential~~
3158 ~~condominium association.~~

3159 7.3. A proxy given is effective only for the specific
3160 meeting for which originally given and any lawfully adjourned
3161 meetings thereof. A proxy is not valid longer than 90 days after
3162 the date of the first meeting for which it was given and may be
3163 revoked. ~~Each proxy is revocable at any time at the pleasure of~~
3164 the unit owner executing it at any time prior to a vote being
3165 taken on questions addressed on the proxy.

3166 ~~4.~~ ~~A member of the board of administration or a committee~~
3167 ~~may submit in writing his or her agreement or disagreement with~~
3168 ~~any action taken at a meeting that the member did not attend.~~
3169 ~~This agreement or disagreement may not be used as a vote for or~~
3170 ~~against the action taken or to create a quorum.~~

3171 8.5. A board or committee member's participation in a
3172 meeting via telephone, real-time videoconferencing, or similar

3173 real-time electronic or video communication counts toward a
3174 quorum, and such member may vote as if physically present. A
3175 speaker must be used so that the conversation of such members
3176 may be heard by the board or committee members attending in
3177 person as well as by any unit owners present at a meeting.

3178 9. If a board or committee meeting includes meeting by
3179 telephone conference or other electronic means, all unit owners
3180 must be authorized to attend by such means if they are or can be
3181 made available, at the unit owners' expense, and all meeting
3182 notices shall include information necessary for a unit owner to
3183 participate in the meeting. Electronic means of communication
3184 must provide for two-way communications between all parties at
3185 all times unless technical issues exist that require a "listen
3186 only "form of communication. When board or committee members are
3187 attending a meeting by electronic means, all votes must be
3188 recorded as roll call votes.

3189 10. If a voting member is delinquent in excess of 90 days
3190 for the nonpayment of regular or special assessments, the voting
3191 rights of the member shall be suspended and such member may not
3192 be considered for the purpose of establishing a quorum. The
3193 percentage of the membership required for a quorum shall include
3194 only such nondelinquent members.

3195 (c) Board of directors' ~~administration~~ meetings.—Meetings
3196 of the board of directors ~~administration~~ at which a quorum of
3197 the board ~~members~~ is present are open to all unit owners. The
3198 board must use board meetings for consideration and discussion

3199 and the board may not conclude any decisions before the owners
 3200 have an opportunity to witness the deliberations. Members of the
 3201 board of directors ~~administration~~ may use e-mail as a means of
 3202 communication but may not cast a vote on an association matter
 3203 via e-mail.

3204 1. A unit owner may ~~voice tape record~~ or video record
 3205 ~~videotape~~ the meetings. The division shall adopt reasonable
 3206 rules governing such recordings. A copy of such recording shall
 3207 be made available to the association upon request and at the
 3208 association's expense. A unit owner with a hearing or vision
 3209 disability may have an interpreter accompany him or her if the
 3210 assistance does not disrupt the board meeting. A unit owner not
 3211 proficient in English may have an interpreter accompany him or
 3212 her if the translating does not disrupt the board meeting.

3213 2. Upon notice to the unit owners, the board shall
 3214 designate by rule a specific location on the common interest
 3215 community property or association property where notices of
 3216 board meetings shall be posted. If there is no common interest
 3217 community property or association property where notices can be
 3218 posted, notices of board meetings shall be mailed, hand
 3219 delivered, or electronically transmitted to each unit owner at
 3220 least 14 days before the board meeting.

3221 3. Notice of board meetings that specifically identifies
 3222 all agenda items must be posted conspicuously on the common
 3223 interest community property at least 48 continuous hours before
 3224 the board meeting, except in an emergency. Electronic

3225 transmission of meeting notices shall be provided to any unit
3226 owner requesting such notification. The intent of board meetings
3227 is to encourage participatory consideration by the owners. Any
3228 owner may petition the board to address an item of business. If
3229 20 percent of the voting interests petition the board to address
3230 an item of business, the board, within 60 days after receipt of
3231 the petition, shall place the item on the agenda at its next
3232 regular board meeting or at a special meeting called for that
3233 purpose.

3234 4. Written notice of any board meeting at which
3235 nonemergency special assessments, or at which an amendment to
3236 rules regarding unit or common element use, will be considered
3237 must be mailed, hand delivered, or electronically transmitted to
3238 the unit owners and posted conspicuously on the common interest
3239 community property at least 14 days before the board meeting.
3240 Evidence of the notice shall be made by affidavit executed by
3241 the person providing the notice and filed with the official
3242 records of the association.

3243 5. In addition to the physical posting of the notice on
3244 the common interest community property, the association may
3245 adopt a procedure for conspicuously posting and repeatedly
3246 broadcasting the notice and agenda on a closed-circuit cable
3247 television system serving the association. The notice and agenda
3248 must be broadcast at least four times every broadcast hour of
3249 each day that a posted notice is required under this paragraph.
3250 If broadcast notice is provided, the notice and agenda must be

3251 broadcast in a manner and for a sufficient continuous length of
3252 time so as to allow an average reader to observe the notice and
3253 agenda and read and comprehend the entire content of the notice
3254 and agenda.

3255 6. Notice of any meeting in which regular or special
3256 assessments are to be considered shall specifically state that
3257 regular or special assessments will be considered and the
3258 nature, estimated cost, and description of the purposes of such
3259 assessments.

3260 7. Any item not included on the notice may be taken up on
3261 an emergency basis by at least a majority plus one vote of the
3262 board members if they are reasonably available. The emergency
3263 action shall be noticed and ratified at the next regular board
3264 meeting.

3265 8. The right to attend board ~~such~~ meetings includes the
3266 right to speak at board ~~such~~ meetings with reference to all
3267 designated agenda items when the item is addressed by the board
3268 and before the agenda item is voted on. ~~The division shall adopt~~
3269 ~~reasonable rules governing the tape recording and videotaping of~~
3270 ~~the meeting.~~ The association may adopt written reasonable rules
3271 governing the frequency, duration, and manner of unit owner
3272 statements.

3273 9. A committee may be appointed by the board if it is
3274 comprised of less than a quorum of board members. The committee
3275 may consider items of personnel, discipline, or contracts
3276 provided the committee's minutes and recommendations are

3277 considered at the next board meeting.

3278 10. Meetings of a committee of the board are subject to
3279 the provisions of this paragraph.

3280 ~~1. Adequate notice of all board meetings, which must~~
3281 ~~specifically identify all agenda items, must be posted~~
3282 ~~conspicuously on the condominium property at least 48 continuous~~
3283 ~~hours before the meeting except in an emergency. If 20 percent~~
3284 ~~of the voting interests petition the board to address an item of~~
3285 ~~business, the board, within 60 days after receipt of the~~
3286 ~~petition, shall place the item on the agenda at its next regular~~
3287 ~~board meeting or at a special meeting called for that purpose.~~
3288 ~~An item not included on the notice may be taken up on an~~
3289 ~~emergency basis by a vote of at least a majority plus one of the~~
3290 ~~board members. Such emergency action must be noticed and~~
3291 ~~ratified at the next regular board meeting. However, written~~
3292 ~~notice of a meeting at which a nonemergency special assessment~~
3293 ~~or an amendment to rules regarding unit use will be considered~~
3294 ~~must be mailed, delivered, or electronically transmitted to the~~
3295 ~~unit owners and posted conspicuously on the condominium property~~
3296 ~~at least 14 days before the meeting. Evidence of compliance with~~
3297 ~~this 14-day notice requirement must be made by an affidavit~~
3298 ~~executed by the person providing the notice and filed with the~~
3299 ~~official records of the association. Upon notice to the unit~~
3300 ~~owners, the board shall, by duly adopted rule, designate a~~
3301 ~~specific location on the condominium or association property~~
3302 ~~where all notices of board meetings must be posted. If there is~~

3303 ~~no condominium property or association property where notices~~
 3304 ~~can be posted, notices shall be mailed, delivered, or~~
 3305 ~~electronically transmitted to each unit owner at least 14 days~~
 3306 ~~before the meeting. In lieu of or in addition to the physical~~
 3307 ~~posting of the notice on the condominium property, the~~
 3308 ~~association may, by reasonable rule, adopt a procedure for~~
 3309 ~~conspicuously posting and repeatedly broadcasting the notice and~~
 3310 ~~the agenda on a closed circuit cable television system serving~~
 3311 ~~the condominium association. However, if broadcast notice is~~
 3312 ~~used in lieu of a notice physically posted on condominium~~
 3313 ~~property, the notice and agenda must be broadcast at least four~~
 3314 ~~times every broadcast hour of each day that a posted notice is~~
 3315 ~~otherwise required under this section. If broadcast notice is~~
 3316 ~~provided, the notice and agenda must be broadcast in a manner~~
 3317 ~~and for a sufficient continuous length of time so as to allow an~~
 3318 ~~average reader to observe the notice and read and comprehend the~~
 3319 ~~entire content of the notice and the agenda. Notice of any~~
 3320 ~~meeting in which regular or special assessments against unit~~
 3321 ~~owners are to be considered must specifically state that~~
 3322 ~~assessments will be considered and provide the nature, estimated~~
 3323 ~~cost, and description of the purposes for such assessments.~~

3324 ~~2. Meetings of a committee to take final action on behalf~~
 3325 ~~of the board or make recommendations to the board regarding the~~
 3326 ~~association budget are subject to this paragraph. Meetings of a~~
 3327 ~~committee that does not take final action on behalf of the board~~
 3328 ~~or make recommendations to the board regarding the association~~

3329 ~~budget are subject to this section, unless those meetings are~~
3330 ~~exempted from this section by the bylaws of the association.~~

3331 11.3. Notwithstanding any other law, the requirement that
3332 board meetings and committee meetings be open to the unit owners
3333 does not apply to:

3334 ~~a.~~ meetings between the board or a committee and the
3335 association's attorney, with respect to proposed or pending
3336 litigation, if the meeting is held for the purpose of seeking or
3337 rendering legal advice. ~~;~~ ~~or~~

3338 ~~b.~~ Board meetings held for the purpose of discussing
3339 personnel matters.

3340 (d) Unit owner meetings.—

3341 1. An annual meeting of the unit owners shall be held at
3342 the location provided in the association bylaws and, if the
3343 bylaws are silent as to the location, the meeting shall be held
3344 within 10 ~~45~~ miles of the common interest community ~~condominium~~
3345 property. However, such distance requirement does not apply to
3346 an association governing a timeshare association ~~condominium~~.

3347 2. ~~Unless the bylaws provide otherwise,~~ A vacancy on the
3348 board caused by the expiration of a director's term shall be
3349 filled by electing a new board member, and the election must be
3350 by secret ballot. However, ~~An election is not required~~ if the
3351 number of vacancies equals or exceeds the number of candidates,
3352 an election is not required.

3353 3. The terms of all board members ~~For purposes of this~~
3354 ~~paragraph, the term "candidate" means an eligible person who has~~

3355 ~~timely submitted the written notice, as described in sub-~~
3356 ~~subparagraph 4.a., of his or her intention to become a~~
3357 ~~candidate. Except in a timeshare or nonresidential condominium,~~
3358 ~~or if the staggered term of a board member does not expire until~~
3359 ~~a later annual meeting, or if all members' terms would otherwise~~
3360 ~~expire but there are no candidates, the terms of all board~~
3361 ~~members expire at the annual meeting and current board, and such~~
3362 ~~members may stand for reelection unless prohibited by the~~
3363 ~~bylaws. If no person is interested in, or demonstrates an~~
3364 ~~intention to run for, the position of a board member whose term~~
3365 ~~has expired, the current board member may be reappointed to the~~
3366 ~~board if he or she provides a signed certification and~~
3367 ~~educational certificate as provided in subparagraph 9. ~~If the~~~~
3368 ~~bylaws or articles of incorporation permit terms of no more than~~
3369 ~~2 years, the association board members may serve 2-year terms.~~
3370 ~~If the number of board members whose terms expire at the annual~~
3371 ~~meeting equals or exceeds the number of candidates, the~~
3372 ~~candidates become members of the board effective upon the~~
3373 ~~adjournment of the annual meeting. Unless the bylaws provide~~
3374 ~~otherwise, any remaining vacancies shall be filled by the~~
3375 ~~affirmative vote of the majority of the directors making up the~~
3376 ~~newly constituted board even if the directors constitute less~~
3377 ~~than a quorum or there is only one director. In a residential~~
3378 ~~condominium association of more than 10 units or in a~~
3379 ~~residential condominium association that does not include~~
3380 ~~timeshare units or timeshare interests, coowners~~

3381 4. Co-owners of a unit may not serve as members of the
3382 board of directors at the same time ~~unless they own more than~~
3383 ~~one unit or unless there are not enough eligible candidates to~~
3384 ~~fill the vacancies on the board at the time of the vacancy.~~ A
3385 unit owner in a residential common interest community
3386 ~~condominium~~ desiring to be a candidate for board membership must
3387 comply with subparagraph 3. ~~sub-subparagraph 4.a. and must be~~
3388 ~~eligible to be a candidate to serve on the board of directors at~~
3389 ~~the time of the deadline for submitting a notice of intent to~~
3390 ~~run in order to have his or her name listed as a proper~~
3391 ~~candidate on the ballot or to serve on the board.~~ A person who
3392 has been suspended or removed by the division under this
3393 chapter, or who is delinquent in the payment of any fee or
3394 assessment as provided in paragraph (n) ~~monetary obligation due~~
3395 ~~to the association,~~ is not eligible to be a candidate for board
3396 membership and may not be listed on the ballot.

3397 5. A person who has entered a plea of nolo contendere to
3398 or been convicted of any felony in this state or in a United
3399 States District or Territorial Court, or who has entered a plea
3400 of nolo contendere to or been convicted of any offense in
3401 another jurisdiction that ~~which~~ would be considered a felony if
3402 committed in this state, is not eligible for board membership
3403 unless such felon's civil rights have been restored for at least
3404 10 ~~5~~ years as of the date such person seeks election to the
3405 board. The validity of an action by the board is not affected if
3406 it is later determined that a ~~board~~ member of the board is

3407 | ineligible for board membership ~~due to having been convicted of~~
 3408 | ~~a felony. This subparagraph does not limit the term of a member~~
 3409 | ~~of the board of a nonresidential condominium.~~

3410 | 6.3. The bylaws must provide the method of calling
 3411 | meetings of unit owners, including annual meetings. Written
 3412 | notice that must include an agenda shall, ~~must~~ be mailed, hand
 3413 | delivered, or electronically transmitted to each unit owner at
 3414 | least 14 days before the annual meeting, and must be posted in a
 3415 | conspicuous place on the common interest community ~~condominium~~
 3416 | property at least 14 continuous days before the annual meeting.
 3417 | Upon notice to the unit owners, the board shall, by duly adopted
 3418 | rule, designate a specific location on the common interest
 3419 | community ~~condominium~~ property or association property where all
 3420 | notices of unit owner meetings shall be posted. However, This
 3421 | ~~requirement does not apply~~ if there is no common interest
 3422 | community ~~condominium~~ property or association property where ~~for~~
 3423 | ~~posting~~ notices can be posted, this requirement does not apply.
 3424 | ~~In lieu of, or in addition to, the physical posting of meeting~~
 3425 | ~~notices, the association may, by reasonable rule, adopt a~~
 3426 | ~~procedure for conspicuously posting and repeatedly broadcasting~~
 3427 | ~~the notice and the agenda on a closed-circuit cable television~~
 3428 | ~~system serving the condominium association. However, if~~
 3429 | ~~broadcast notice is used in lieu of a notice posted physically~~
 3430 | ~~on the condominium property, the notice and agenda must be~~
 3431 | ~~broadcast at least four times every broadcast hour of each day~~
 3432 | ~~that a posted notice is otherwise required under this section.~~

3433 ~~If broadcast notice is provided, the notice and agenda must be~~
3434 ~~broadcast in a manner and for a sufficient continuous length of~~
3435 ~~time so as to allow an average reader to observe the notice and~~
3436 ~~read and comprehend the entire content of the notice and the~~
3437 ~~agenda.~~

3438 7. Unless a unit owner waives in writing the right to
3439 receive notice ~~of the annual meeting,~~ such notice shall ~~must~~ be
3440 hand delivered, mailed, or electronically transmitted to each
3441 unit owner. ~~Notice for meetings and notice for all other~~
3442 ~~purposes must be mailed to each unit owner~~ at the address last
3443 furnished to the association by the unit owner, ~~or hand~~
3444 ~~delivered to each unit owner.~~ However, if a unit is owned by
3445 more than one person, the association shall ~~must~~ provide notice
3446 for meetings and all other purposes to the ~~to the~~ address that
3447 the developer initially identifies for that purpose and
3448 thereafter as one or more of the owners of the unit advise the
3449 association in writing, or if no address is given or the owners
3450 of the unit do not agree, to the address provided on the county
3451 records of the property appraiser. The deed of record. An
3452 ~~officer of the association, or the manager or other person~~
3453 providing notice of the association meeting shall, ~~must~~ provide
3454 an affidavit ~~or United States Postal Service certificate of~~
3455 ~~mailing,~~ to be included in the official records of the
3456 association affirming that the notice was mailed, electronically
3457 transmitted, or hand delivered in accordance with this
3458 subparagraph provision.

3459 8.4. The members of the board of a residential common
 3460 interest community condominium shall be elected by secret
 3461 ~~written ballot or voting machine~~. Proxies may not be used in
 3462 electing the board in general elections or elections to fill
 3463 vacancies caused by recall, resignation, or otherwise, unless
 3464 otherwise provided in this chapter. ~~This subparagraph does not~~
 3465 ~~apply to an association governing a timeshare condominium.~~

3466 9.a. At least 60 days, but not more than 90 days, before a
 3467 scheduled election, the association shall mail, hand deliver, or
 3468 electronically transmit, whether by separate association mailing
 3469 or included in another association mailing, delivery, or
 3470 transmission, including regularly published newsletters, to each
 3471 unit owner ~~entitled to a vote~~, a first notice of the date of the
 3472 election and the procedure to qualify as a candidate for the
 3473 board.

3474 a. Within 1 year before, or 90 days after, being elected
 3475 or appointed to the board, the newly elected or appointed member
 3476 must:

3477 (I) Submit an educational certificate of satisfactory
 3478 completion of the educational curriculum administered by a
 3479 division-approved common interest community education provider.

3480 (II) Submit a written certification attesting that he or
 3481 she has read the declaration, bylaws, current written policies,
 3482 provisions of this chapter, applicable sections of the Florida
 3483 Administrative Code, and association rules; he or she will work
 3484 to uphold such documents and policies to the best of his or her

3485 ability; and he or she will faithfully discharge his or her
3486 fiduciary responsibility to the association's members.

3487 b. The written certification and educational certificate
3488 must be valid and are not required to be resubmitted if the
3489 member serves on the board without interruption. Failure to
3490 complete the requirements of this sub-subparagraph excludes the
3491 member from being reelected, appointed, or eligible to continue
3492 to serve on the board.

3493 c. In order to be eligible to be included on the ballot
3494 and serve on the board, the member's written certification and
3495 educational certificate must be entered in the minutes of the
3496 association and made available for verification by any owner.

3497 10. A unit owner or other eligible person desiring to be a
3498 candidate for the board must give written notice of his or her
3499 intent to be a candidate to the association at least 40 days
3500 before a scheduled election along with the signed certification
3501 provided for in this sub-subparagraph. If the certification is
3502 not provided, or the person is otherwise ineligible for
3503 election, his or her name may not be listed on the ballot.

3504 11. Together with the written notice and agenda as set
3505 forth in subparagraph ~~6. 3.~~, the association shall mail,
3506 deliver, or electronically transmit a second notice of the
3507 election to all unit owners entitled to vote, together with a
3508 ballot that lists all eligible candidates. Upon request of a
3509 candidate, an information sheet, no larger than 8 1/2 inches by
3510 11 inches, ~~which must be~~ furnished by the candidate at least 35

3511 days before the election, must be included with the mailing,
3512 delivery, or transmission of the ballot, with the costs of
3513 mailing, delivery, or electronic transmission and copying to be
3514 borne by the association. The association is not liable for the
3515 contents of the information sheets prepared by the candidates.
3516 In order to reduce costs, the association may print or duplicate
3517 the information sheets on both sides of the paper.

3518 12. The division shall by rule establish voting procedures
3519 consistent with this subparagraph ~~sub-subparagraph~~, including
3520 rules establishing procedures for giving notice by electronic
3521 transmission and rules providing for the secrecy of ballots.
3522 Elections shall be decided by a plurality of the ballots cast.
3523 There is no quorum requirement; however, at least 20 percent of
3524 the eligible voters must cast a ballot in order to have a valid
3525 election of members of the board. A unit owner may not permit
3526 any other person to vote his or her ballot, and any such ballots
3527 improperly cast are invalid. A unit owner who violates this
3528 provision may be assessed a financial penalty ~~fined~~ by the
3529 association in accordance with s. 718.303. A unit owner who
3530 needs assistance in casting the ballot for the reasons stated in
3531 s. 101.051 may obtain ~~such~~ assistance. The regular election
3532 shall ~~must~~ occur on the date of the annual meeting.
3533 Notwithstanding this subparagraph ~~sub-subparagraph~~, an election
3534 is not required unless more candidates file notices of intent to
3535 run ~~or are nominated~~ than board vacancies exist. Tie votes may
3536 be determined by lot or runoff election at the option of the

3537 candidates and shall be by runoff election if the candidates do
3538 not agree on a method.

3539 ~~b. Within 90 days after being elected or appointed to the~~
3540 ~~board of an association of a residential condominium, each newly~~
3541 ~~elected or appointed director shall certify in writing to the~~
3542 ~~secretary of the association that he or she has read the~~
3543 ~~association's declaration of condominium, articles of~~
3544 ~~incorporation, bylaws, and current written policies; that he or~~
3545 ~~she will work to uphold such documents and policies to the best~~
3546 ~~of his or her ability; and that he or she will faithfully~~
3547 ~~discharge his or her fiduciary responsibility to the~~
3548 ~~association's members. In lieu of this written certification,~~
3549 ~~within 90 days after being elected or appointed to the board,~~
3550 ~~the newly elected or appointed director may submit a certificate~~
3551 ~~of having satisfactorily completed the educational curriculum~~
3552 ~~administered by a division-approved condominium education~~
3553 ~~provider within 1 year before or 90 days after the date of~~
3554 ~~election or appointment. The written certification or~~
3555 ~~educational certificate is valid and does not have to be~~
3556 ~~resubmitted as long as the director serves on the board without~~
3557 ~~interruption. A director of an association of a residential~~
3558 ~~condominium who fails to timely file the written certification~~
3559 ~~or educational certificate is suspended from service on the~~
3560 ~~board until he or she complies with this sub-subparagraph. The~~
3561 ~~board may temporarily fill the vacancy during the period of~~
3562 ~~suspension. The secretary shall cause the association to retain~~

3563 ~~a director's written certification or educational certificate~~
3564 ~~for inspection by the members for 5 years after a director's~~
3565 ~~election or the duration of the director's uninterrupted tenure,~~
3566 ~~whichever is longer. Failure to have such written certification~~
3567 ~~or educational certificate on file does not affect the validity~~
3568 ~~of any board action.~~

3569 ~~e. Any challenge to the election process must be commenced~~
3570 ~~within 60 days after the election results are announced.~~

3571 13.5. Any Approval by unit owners called for by this
3572 chapter or the applicable documents ~~declaration~~ or bylaws,
3573 including, but not limited to, the approval requirement in s.
3574 718.111(8), must be made at a duly noticed meeting of unit
3575 owners and is subject to all requirements of this chapter or the
3576 applicable ~~condominium~~ documents relating to unit owner
3577 decisionmaking, except that unit owners may take action by
3578 written agreement, without meetings, on matters for which action
3579 by written agreement without meetings is not expressly
3580 prohibited ~~allowed~~ by the applicable bylaws or documents
3581 ~~declaration~~ or any law that provides for such action.

3582 14.6. Unit owners may waive notice of specific meetings if
3583 allowed by the applicable bylaws or declaration or any law.
3584 Notice of meetings of the board ~~of administration~~, unit owner
3585 meetings, ~~except unit owner meetings called to recall board~~
3586 ~~members under paragraph (j)~~, and committee meetings may be given
3587 by electronic transmission or hand delivery to unit owners
3588 unless ~~who consent to receive notice~~ is requested by mail

3589 ~~electronic transmission.~~

3590 15.7. ~~Unit owners have~~ The right to attend ~~participate in~~

3591 meetings includes the right to speak at meetings of unit owners

3592 with reference to all designated agenda items at the time the

3593 item is addressed and before the item is voted on. ~~However,~~ The

3594 association may adopt written reasonable rules governing the

3595 frequency, duration, and manner of unit owner statements

3596 ~~participation.~~

3597 16.8. A unit owner may audio or video ~~tape~~ record ~~or~~

3598 ~~videotape~~ a meeting of the unit owners subject to reasonable

3599 rules adopted by the division. A unit owner with a hearing or

3600 vision disability may have an interpreter accompany him or her

3601 if the assistance does not disrupt the meeting. A unit owner not

3602 proficient in English may have an interpreter accompany him or

3603 her if the translating does not disrupt the meeting.

3604 17.9. Unless otherwise provided in the bylaws, any vacancy

3605 occurring on the board before the expiration of a term may be

3606 filled by the affirmative vote of the majority of the remaining

3607 directors, even if the remaining directors constitute less than

3608 a quorum, or by the sole remaining director. In the alternative,

3609 a board may hold an election to fill the vacancy, in which case

3610 the election procedures must conform to the requirements of

3611 subparagraph 9. ~~sub-subparagraph 4.a. unless the association~~

3612 ~~governs 10 units or fewer and has opted out of the statutory~~

3613 ~~election process, in which case the bylaws of the association~~

3614 ~~control. Unless otherwise provided in the bylaws,~~ A board member

3615 appointed or elected under this section shall fill the vacancy
3616 until the next election ~~for the unexpired term of the seat being~~
3617 ~~filled~~. Filling vacancies created by recall is governed by
3618 paragraph (k) ~~paragraph (j)~~ and rules adopted by the division.

3619 18. Any rule or regulation of the association may be
3620 overturned by vote of a majority of owners represented in person
3621 or by proxy at a duly called meeting. Any rule or regulation
3622 ratification or revocation must be added to the agenda of the
3623 next owners' meeting by petition of at least 10 percent of the
3624 voting interests. Any rule or regulation adopted by the board
3625 shall be added to the agenda for the annual meeting for
3626 ratification or revocation.

3627 19. Elections for members of the board of a master
3628 association are exempt from the election procedures in this
3629 paragraph if the members of the board are elected as
3630 representatives of the common interest community exclusively by
3631 the members of the common interest community they represent.

3632 (e) Special meetings.—Special meetings must be held when
3633 called by the board of directors or by at least 10 percent of
3634 the total voting interests of the association, unless a
3635 different percentage is stated in the governing documents.
3636 Business conducted at a special meeting is limited to the
3637 purposes described in the notice of the meeting.

3638 ~~10. This chapter does not limit the use of general or~~
3639 ~~limited proxies, require the use of general or limited proxies,~~
3640 ~~or require the use of a written ballot or voting machine for any~~

3641 ~~agenda item or election at any meeting of a timeshare~~
 3642 ~~condominium association or nonresidential condominium~~
 3643 ~~association.~~

3644
 3645 ~~Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an~~
 3646 ~~association of 10 or fewer units may, by affirmative vote of a~~
 3647 ~~majority of the total voting interests, provide for different~~
 3648 ~~voting and election procedures in its bylaws, which may be by a~~
 3649 ~~proxy specifically delineating the different voting and election~~
 3650 ~~procedures. The different voting and election procedures may~~
 3651 ~~provide for elections to be conducted by limited or general~~
 3652 ~~proxy.~~

3653 ~~(f)~~~~(e)~~ Budget meeting.—

3654 1. Any meeting at which a proposed annual budget of an
 3655 association will be considered for adoption by the board or unit
 3656 owners shall be open to all unit owners. At least 14 days before
 3657 the ~~prior to such a~~ meeting, the board shall electronically
 3658 transmit to the unit owners, unless notice is requested by mail
 3659 or is hand delivered ~~deliver~~ to each unit owner, ~~mail to each~~
 3660 ~~unit owner~~ at the address last furnished to the association by
 3661 the unit owner, ~~or electronically transmit to the location~~
 3662 ~~furnished by the unit owner for that purpose~~ a notice of such
 3663 meeting and a copy of the proposed annual budget. The ~~An officer~~
 3664 ~~or manager of the association, or other person providing notice~~
 3665 of such meeting, shall execute an affidavit evidencing
 3666 compliance with such notice requirement, and such affidavit

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3667 shall be filed among the official records of the association.

3668 2.~~a.~~ If a board adopts in any fiscal year an annual budget

3669 that which requires an assessment ~~assessments~~ against unit

3670 owners that is 15 ~~which exceed 115~~ percent or more than the

3671 amount of assessments for the preceding fiscal year, the board

3672 shall conduct a special meeting of the unit owners to consider a

3673 substitute budget if the board receives, within 21 days after

3674 adoption of the annual budget, a written request for a special

3675 meeting from at least 10 percent of all voting interests with a

3676 draft of the proposed substitute annual budget.

3677 a. The special meeting shall be conducted within 30 ~~60~~

3678 days after adoption of the annual budget and may not be

3679 rescheduled if a quorum is not present. At least 14 days before

3680 the ~~prior to such~~ special meeting, the board shall

3681 electronically transmit to the unit owners, unless notice is

3682 requested by mail or is hand delivered ~~deliver~~ to each unit

3683 owner, ~~or mail to each unit owner~~ at the address last furnished

3684 to the association by the unit owner, a notice of the meeting

3685 and a copy of the proposed substitute annual budget. The ~~An~~

3686 ~~officer or manager of the association, or other~~ person providing

3687 notice of such meeting shall execute an affidavit evidencing

3688 compliance with this notice requirement, and such affidavit

3689 shall be filed among the official records of the association.

3690 Unit owners may consider and adopt a substitute budget at the

3691 special meeting. A substitute budget is adopted if approved by a

3692 majority of all voting interests ~~unless the bylaws require~~

3693 ~~adoption by a greater percentage of voting interests.~~ If there
 3694 is not a quorum at the special meeting or a substitute budget is
 3695 not adopted, the annual budget previously adopted by the board
 3696 shall take effect as scheduled.

3697 b. Any determination of whether assessments exceed 115
 3698 percent of assessments for the prior fiscal year shall exclude
 3699 any ~~authorized~~ provision for reasonable reserves for deferred
 3700 maintenance ~~repair~~ or replacement of the common interest
 3701 community condominium property, anticipated expenses of the
 3702 association that ~~which~~ the board does not expect to be incurred
 3703 on a regular or annual basis, and statutory expense requirements
 3704 or expenses over which the board has no control, ~~or assessments~~
 3705 ~~for betterments to the condominium property.~~

3706 c. If the developer controls the board, assessments shall
 3707 not exceed the 115 percent ~~of~~ assessments for the prior fiscal
 3708 year by more than 15 percent unless approved by a majority of
 3709 all voting interests other than the developer.

3710 (g) ~~(f)~~ Annual budget.—

3711 1. The proposed annual budget of estimated revenues and
 3712 expenses shall ~~must~~ be detailed and must show the amounts
 3713 budgeted by accounts and expense classifications, including, at
 3714 a minimum, ~~any applicable~~ expenses listed in s. 718.504(21). A
 3715 multi-common interest community ~~multicondominium~~ association
 3716 shall adopt a separate budget of common expenses for each common
 3717 interest community ~~condominium~~ the association operates and
 3718 shall adopt a separate budget of common expenses for the

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3719 association. In addition, if the association maintains limited
3720 common elements with the cost to be shared only by those
3721 entitled to use the limited common elements as provided for in
3722 s. 718.113(1), the budget or a schedule attached to it must show
3723 any amounts ~~the amount~~ budgeted for this maintenance. If, after
3724 turnover of control of the association to the unit owners, any
3725 of the expenses listed in s. 718.504(21) are not applicable,
3726 they need not be listed.

3727 2.a. In addition to annual operating expenses, the budget
3728 shall ~~must~~ include reserve accounts for capital expenditures and
3729 deferred maintenance. These accounts shall ~~must~~ include, but are
3730 not limited to, any item for which the full funding of, roof
3731 replacement, building painting, and pavement resurfacing,
3732 ~~regardless of the amount of deferred maintenance expense or~~
3733 replacement cost would require a reserve contribution of more
3734 than \$600 per year for any unit in the association, and any
3735 ~~other item that has a deferred maintenance expense or~~
3736 ~~replacement cost that exceeds \$10,000.~~

3737 b. The amount to be reserved shall ~~must~~ be computed using
3738 a formula based upon estimated remaining useful life and
3739 estimated replacement cost or deferred maintenance expense of
3740 each reserve item. The total reserve contribution requirement
3741 may be calculated by pooling, as determined by the division. The
3742 association shall ~~may~~ adjust replacement reserve assessments
3743 annually to take into account any changes in estimates or change
3744 ~~extension~~ of the useful life of a reserve item ~~caused by~~

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3745 ~~deferred maintenance. This subsection does not apply to an~~
3746 ~~adopted budget in which the members of an association have~~
3747 ~~determined, by a majority vote at a duly called meeting of the~~
3748 ~~association, to provide no reserves or less reserves than~~
3749 ~~required by this subsection.~~

3750 ~~b. Before turnover of control of an association by a~~
3751 ~~developer to unit owners other than a developer pursuant to s.~~
3752 ~~718.301, the developer may vote the voting interests allocated~~
3753 ~~to its units to waive the reserves or reduce the funding of~~
3754 ~~reserves through the period expiring at the end of the second~~
3755 ~~fiscal year after the fiscal year in which the certificate of a~~
3756 ~~surveyor and mapper is recorded pursuant to s. 718.104(4)(c) or~~
3757 ~~an instrument that transfers title to a unit in the condominium~~
3758 ~~which is not accompanied by a recorded assignment of developer~~
3759 ~~rights in favor of the grantee of such unit is recorded,~~
3760 ~~whichever occurs first, after which time reserves may be waived~~
3761 ~~or reduced only upon the vote of a majority of all nondeveloper~~
3762 ~~voting interests voting in person or by limited proxy at a duly~~
3763 ~~called meeting of the association. If a meeting of the unit~~
3764 ~~owners has been called to determine whether to waive or reduce~~
3765 ~~the funding of reserves and no such result is achieved or a~~
3766 ~~quorum is not attained, the reserves included in the budget~~
3767 ~~shall go into effect. After the turnover, the developer may vote~~
3768 ~~its voting interest to waive or reduce the funding of reserves.~~

3769 ~~3. Reserve funds and any interest accruing thereon shall~~
3770 ~~remain in the reserve account or accounts, and must may be used~~

3771 only for authorized reserve expenditures unless their use for
3772 other purposes is approved in advance by a majority vote at a
3773 duly called meeting of the association. Before turnover of
3774 control of an association by a developer to unit owners other
3775 than the developer pursuant to s. 718.301, the developer-
3776 controlled association may not ~~vote to~~ use reserves for purposes
3777 other than those for which they were intended ~~without the~~
3778 ~~approval of a majority of all nondeveloper voting interests,~~
3779 ~~voting in person or by limited proxy at a duly called meeting of~~
3780 ~~the association.~~

3781 4. The only voting interests ~~that are~~ eligible to vote on
3782 questions that involve ~~waiving or reducing the funding of~~
3783 ~~reserves, or~~ using existing reserve funds for purposes other
3784 than purposes that ~~for which~~ the reserves were intended for, are
3785 the voting interests of the units subject to assessment to fund
3786 the reserves in question. Proxy questions relating to ~~waiving or~~
3787 ~~reducing the funding of reserves or~~ using existing reserve funds
3788 for purposes other than purposes for which the reserves were
3789 intended must contain the following statement in capitalized,
3790 bold letters in a font size larger than any other used on the
3791 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN
3792 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES WILL ~~MAY~~
3793 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF ANTICIPATED
3794 ~~UNANTICIPATED~~ SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

3795 5. If the board fails to adopt an annual budget before the
3796 beginning of the fiscal year, the previous year's budget shall

3797 continue until a new budget is adopted. When a new budget is
3798 adopted, it shall be retroactive to the beginning of the fiscal
3799 year.

3800 (h)~~(g)~~ Assessments.—The manner of collecting from the unit
3801 owners their shares of the common expenses shall be stated in
3802 the bylaws. Assessments shall be made against units not less
3803 frequently than quarterly in an amount that ~~which~~ is not less
3804 than that required to provide funds in advance for payment of
3805 ~~all of the~~ anticipated current operating expenses and for all of
3806 the unpaid operating expenses previously incurred. Nothing in
3807 this paragraph shall preclude the right of an association to
3808 accelerate assessments of an owner delinquent in payment of
3809 common expenses. Accelerated assessments shall be due and
3810 payable on the date the claim of lien is filed. Such accelerated
3811 assessments shall include the amounts due for the remainder of
3812 the budget year in which the claim of lien was filed and, if the
3813 unit is foreclosed, shall not be forgiven as to the remaining
3814 portion of the year if not paid.

3815 (i)~~(h)~~ Amendment of bylaws.—

3816 1. ~~The method by which the bylaws may be amended~~
3817 ~~consistent with the provisions of this chapter shall be stated.~~
3818 ~~If the bylaws fail to provide a method of amendment,~~ The bylaws
3819 may be amended if the amendment is approved by the owners of a
3820 majority of the units present and voting at a duly called
3821 meeting of the common interest community ~~not less than two-~~
3822 ~~thirds of the voting interests.~~

3823 2. No bylaw shall be revised or amended by reference to
 3824 its title or number only. Proposals to amend existing bylaws
 3825 shall contain the full text of the bylaws to be amended; new
 3826 words shall be inserted in the text underlined, and words to be
 3827 deleted shall be lined through with hyphens. However, if the
 3828 proposed change is so extensive that this procedure would
 3829 hinder, rather than assist, the understanding of the proposed
 3830 amendment, it is not necessary to use underlining and hyphens as
 3831 indicators of words added or deleted, but, instead, a notation
 3832 must be inserted immediately preceding the proposed amendment in
 3833 substantially the following language: "Substantial rewording of
 3834 bylaw. See bylaw for present text."

3835 3. Nonmaterial errors or omissions in the bylaw process
 3836 will not invalidate an otherwise properly promulgated amendment.

3837 (j)~~(i)~~ Transfer fees.—~~A No charge shall be made by the~~
 3838 ~~association or any body thereof in connection with the sale,~~
 3839 ~~mortgage, lease, sublease, or other transfer of a unit unless~~
 3840 ~~the association is not required to approve such transfer and a~~
 3841 ~~fee for such approval is provided for in the declaration,~~
 3842 ~~articles, or bylaws.~~

3843 1. Any such fee may be preset and may not, ~~but in no event~~
 3844 ~~may such fee exceed \$100. A per applicant other than~~
 3845 ~~husband/wife or parent/dependent child shall be, which are~~
 3846 considered one applicant. However, if the lease or sublease is a
 3847 renewal of a lease or sublease with the same lessee or
 3848 sublessee, no charge shall be made.

3849 2. Notwithstanding subparagraph 1. The foregoing
 3850 ~~notwithstanding~~, an association may, unless prohibited by if the
 3851 documents authority to do so appears in the declaration or
 3852 bylaws, require that a prospective lessee place a security
 3853 deposit, in an amount not to exceed the equivalent of 1 month's
 3854 rent, into an escrow account maintained by the association. The
 3855 security deposit shall protect against damages to the common
 3856 elements or association property. Claims for payment of
 3857 ~~interest, claims~~ against the deposit, refunds, and disputes
 3858 under this paragraph shall be handled in the same fashion as
 3859 provided in part II of chapter 83.

3860 3. The lease must provide that the provisions of s.
 3861 718.303 apply to such lease, including the assignment of rent to
 3862 the association in the case of delinquency of assessments, and
 3863 if the provisions of s. 718.303 are not included in such lease,
 3864 such provisions shall be deemed included.

3865 (k)-(j) Recall of board members. ~~Subject to s. 718.301,~~ Any
 3866 member of the board of directors ~~administration~~ may be recalled
 3867 and removed from office with or without cause by ~~the vote or~~
 3868 agreement in writing by a majority of all the voting interests
 3869 on a form provided by the division. ~~A special meeting of the~~
 3870 ~~unit owners to recall a member or members of the board of~~
 3871 ~~administration may be called by 10 percent of the voting~~
 3872 ~~interests giving notice of the meeting as required for a meeting~~
 3873 ~~of unit owners, and the notice shall state the purpose of the~~
 3874 ~~meeting. Electronic transmission may not be used as a method of~~

3875 ~~giving notice of a meeting called in whole or in part for this~~
3876 ~~purpose.~~

3877 ~~1. If the recall is approved by a majority of all voting~~
3878 ~~interests by a vote at a meeting, the recall will be effective~~
3879 ~~as provided in this paragraph. The board shall duly notice and~~
3880 ~~hold a board meeting within 5 full business days after the~~
3881 ~~adjournment of the unit owner meeting to recall one or more~~
3882 ~~board members. At the meeting, the board shall either certify~~
3883 ~~the recall, in which case such member or members shall be~~
3884 ~~recalled effective immediately and shall turn over to the board~~
3885 ~~within 5 full business days any and all records and property of~~
3886 ~~the association in their possession, or shall proceed as set~~
3887 ~~forth in subparagraph 3.~~

3888 ~~1.2. The~~ If the proposed recall is by an agreement in
3889 writing by a majority of all voting interests, ~~the agreement in~~
3890 writing or a copy of the agreement ~~thereof~~ shall be served on
3891 the association or community association manager by certified
3892 mail or by personal service in the manner authorized by chapter
3893 48 and the Florida Rules of Civil Procedure.

3894 2. The board of directors ~~administration~~ shall duly notice
3895 and hold a meeting of the board within 5 full business days
3896 after receipt of the agreement ~~in writing~~. At the meeting, the
3897 board shall either certify the written agreement to recall a
3898 member or members of the board, in which case such member or
3899 members shall be recalled effective immediately and shall turn
3900 over to the board within 5 full business days any and all

3901 records and property of the association in their possession, or
3902 proceed as described in subparagraph 3.

3903 3. If the board determines not to certify the written
3904 agreement to recall a member or members of the board, ~~or does~~
3905 ~~not certify the recall by a vote at a meeting,~~ the board shall,
3906 within 5 full business days after the meeting, file with the
3907 division a petition for arbitration pursuant to the procedures
3908 in s. 718.1255. For the purposes of this section, the unit
3909 owners ~~who voted at the meeting or~~ who executed the agreement in
3910 writing shall constitute one party under the petition for
3911 arbitration. If the arbitrator certifies the recall as to any
3912 member or members of the board, the recall will be effective
3913 upon mailing of the final order of arbitration to the
3914 association. If the association fails to comply with the order
3915 of the arbitrator, the division may take action pursuant to s.
3916 718.501. Any member or members so recalled shall deliver to the
3917 board any and all records of the association in their possession
3918 within 5 full business days after the effective date of the
3919 recall.

3920 4. If the board fails to duly notice and hold a board
3921 meeting within 5 full business days after service of an
3922 agreement in writing ~~or within 5 full business days after the~~
3923 ~~adjournment of the unit owner recall meeting,~~ the recall shall
3924 be deemed effective and the board members so recalled shall
3925 immediately turn over to the board any and all records and
3926 property of the association.

3927 ~~5. If the board fails to duly notice and hold the required~~
3928 ~~meeting or fails to file the required petition, the unit owner~~
3929 ~~representative may file a petition pursuant to s. 718.1255~~
3930 ~~challenging the board's failure to act. The petition must be~~
3931 ~~filed within 60 days after the expiration of the applicable 5-~~
3932 ~~full-business-day period. The review of a petition under this~~
3933 ~~subparagraph is limited to the sufficiency of service on the~~
3934 ~~board and the facial validity of the written agreement or~~
3935 ~~ballots filed.~~

3936 5.6. If a vacancy occurs on the board as a result of a
3937 recall or removal and less than a majority of the board members
3938 are removed, the vacancy may be filled by persons specified on
3939 the recall petition form. If the vacancies exceed the number of
3940 replacement directors on the recall form, the vacancy may be
3941 filled by the affirmative vote of a majority of the remaining
3942 directors, notwithstanding any provision to the contrary
3943 contained in this subsection. If vacancies occur on the board as
3944 a result of a recall and a majority or more of the board members
3945 are removed, the vacancies shall be filled in accordance with
3946 procedural rules to be adopted by the division, which rules need
3947 not be consistent with this subsection. The rules must provide
3948 procedures governing the conduct of the recall election as well
3949 as the operation of the association during the period after a
3950 recall but before the recall election.

3951 6.7. Any recalled director who fails to turn over
3952 association records pursuant to this paragraph commits a

3953 violation of s. 718.111(12)(d) and shall be fined by the
 3954 division. ~~A board member who has been recalled may file a~~
 3955 ~~petition pursuant to s. 718.1255 challenging the validity of the~~
 3956 ~~recall. The petition must be filed within 60 days after the~~
 3957 ~~recall is deemed certified. The association and the unit owner~~
 3958 ~~representative shall be named as the respondents.~~

3959 ~~8. The division may not accept for filing a recall~~
 3960 ~~petition, whether filed pursuant to subparagraph 1.,~~
 3961 ~~subparagraph 2., subparagraph 5., or subparagraph 7. and~~
 3962 ~~regardless of whether the recall was certified, when there are~~
 3963 ~~60 or fewer days until the scheduled reelection of the board~~
 3964 ~~member sought to be recalled or when 60 or fewer days have~~
 3965 ~~elapsed since the election of the board member sought to be~~
 3966 ~~recalled.~~

3967 (1)(*) Arbitration.—There shall be a provision for
 3968 mandatory nonbinding arbitration as provided for in s. 718.1255
 3969 for any residential common interest community condominium.

3970 (m)(1) Certificate of compliance.—A provision that a
 3971 certificate of compliance from a licensed electrical contractor,
 3972 ~~or~~ electrician, or engineer may be accepted by the association's
 3973 board as evidence of compliance of the common interest community
 3974 ~~condominium~~ units with the applicable fire and life safety code
 3975 must be included. Notwithstanding chapter 633 or of any other
 3976 code, statute, ordinance, administrative rule, or regulation, or
 3977 any interpretation of the foregoing, an association, residential
 3978 common interest community condominium, or unit owner is not

3979 obligated to retrofit the common elements, association property,
3980 or units of a residential common interest community ~~condominium~~
3981 with a fire sprinkler system in a building that has been
3982 certified for occupancy by the applicable governmental entity if
3983 the unit owners have voted to forego such retrofitting by the
3984 affirmative vote of a majority of all voting interests in the
3985 affected common interest community ~~condominium~~. The local
3986 authority having jurisdiction may not require completion of
3987 retrofitting with a fire sprinkler system before January 1,
3988 2020. By December 31, 2016, a residential common interest
3989 community ~~condominium~~ association that is not in compliance with
3990 the requirements for a fire sprinkler system and has not voted
3991 to forego retrofitting of such a system must initiate an
3992 application for a building permit for the required installation
3993 with the local government having jurisdiction demonstrating that
3994 the association will become compliant by December 31, 2019.

3995 1. A vote to forego retrofitting may be obtained by
3996 limited proxy or by a ballot personally cast at a duly called
3997 membership meeting, or by execution of a written consent by the
3998 member, and is effective upon recording a certificate attesting
3999 to such vote in the public records of the county where the
4000 common interest community ~~condominium~~ is located. The
4001 association shall mail or hand deliver to each unit owner
4002 written notice at least 14 days before the membership meeting in
4003 which the vote to forego retrofitting of the required fire
4004 sprinkler system is to take place. Within 30 days after the

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4005 association's opt-out vote, notice of the results of the opt-out
4006 vote must be mailed or hand delivered to all unit owners.
4007 Evidence of compliance with this notice requirement shall ~~must~~
4008 be made by an affidavit executed by the person providing the
4009 notice and filed among the official records of the association.
4010 After notice is provided to each owner, a copy must be provided
4011 by the current owner to a new owner before closing and shall be
4012 provided by a unit owner or agent to a renter before signing a
4013 lease.

4014 2. If there has been a previous vote to forego
4015 retrofitting, a vote to require retrofitting may be obtained at
4016 a special meeting of the unit owners called by a petition of at
4017 least 10 percent of the voting interests. Such a vote may only
4018 be called once every 3 years. Notice shall be provided as
4019 required for any regularly called meeting of the unit owners,
4020 and must state the purpose of the meeting. Electronic
4021 transmission may not be used to provide notice of a meeting
4022 called in whole or in part for this purpose.

4023 3. As part of the information collected annually from
4024 common interest communities ~~condominiums~~, the division shall
4025 require common interest community ~~condominium~~ associations to
4026 report the membership vote and recording of a certificate under
4027 this subsection and, if retrofitting has been undertaken, the
4028 per-unit cost of such work. The division shall annually report
4029 to the Division of State Fire Marshal of the Department of
4030 Financial Services the number of units ~~condominiums~~ that have

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4031 | elected to forego retrofitting.

4032 | 4. Notwithstanding s. 553.509, a common interest community
4033 | ~~residential association~~ may not be obligated to, and may forego
4034 | the retrofitting of, any improvements required by s. 553.509(2)
4035 | upon an affirmative vote of a majority of the voting interests
4036 | in the affected common interest community ~~condominium~~.

4037 | 5. A notice of approval by the division of the opt-out
4038 | provision shall be posted in a conspicuous place adjacent to
4039 | each elevator door on the first floor of the building.

4040 | (n)-(m) Common elements; limited power to convey.—

4041 | 1. ~~With respect to condominiums created on or after~~
4042 | ~~October 1, 1994, the bylaws shall include a provision granting~~
4043 | The board of directors may association a limited power to convey
4044 | a portion of the common elements to a condemning authority for
4045 | the purpose of providing utility easements, right-of-way
4046 | expansion, or other public purposes, whether negotiated or as a
4047 | result of eminent domain proceedings.

4048 | 2. ~~In any case where the bylaws are silent as to the~~
4049 | ~~association's power to convey common elements as described in~~
4050 | ~~subparagraph 1., the bylaws shall be deemed to include the~~
4051 | ~~provision described in subparagraph 1.~~

4052 | (o)-(n) Director or officer delinquencies.—A director or
4053 | officer more than 90 days delinquent in the payment of any fee
4054 | or assessment ~~monetary obligation due the association~~ shall be
4055 | deemed to have abandoned the office, creating a vacancy in the
4056 | office to be filled according to law.

4057 (p) ~~(e)~~ Director or officer offenses.—A director or officer
 4058 charged by information or indictment with a felony theft or
 4059 embezzlement offense involving the association's funds or
 4060 property must be removed from office, creating a vacancy in the
 4061 office to be filled according to law until the end of the period
 4062 of the suspension or the end of the director's term of office,
 4063 whichever occurs first. While such director or officer has such
 4064 criminal charge pending, he or she may not be appointed or
 4065 elected to a position as a director or officer. However, if the
 4066 charges are resolved without a finding of guilt, the director or
 4067 officer shall be reinstated for the remainder of his or her term
 4068 of office, if any.

4069 (q) Member responsibility.—In determining whether a member
 4070 of the board performed his or her duties pursuant to s.
 4071 718.111(1)(f), the division or commission may consider whether
 4072 the member of the board has:

4073 1. Acted outside the scope of the authority granted in the
 4074 governing documents;

4075 2. Acted for reasons of self-interest, gain, prejudice, or
 4076 revenge;

4077 3. Committed an act or omission that constitutes
 4078 incompetence, negligence, or gross negligence;

4079 4. Disclosed confidential information relating to a unit's
 4080 owner, a member of the executive board, or an officer, employee,
 4081 or authorized agent of the association unless the disclosure is
 4082 consented to by the person to whom the information relates,

4083 except as otherwise required by law or court order;
 4084 5. Impeded or otherwise interfered with an investigation
 4085 of the division by:
 4086 a. Failing to comply with a request by the division to
 4087 provide information or documents;
 4088 b. Supplying false or misleading information to an
 4089 investigator, auditor, or any other officer or agent of the
 4090 division; or
 4091 c. Concealing any facts or documents relating to the
 4092 business of the association;
 4093 6. Kept informed of laws, regulations, and developments
 4094 relating to common interest communities;
 4095 7. Cooperated with the division in resolving complaints
 4096 filed with the division; and
 4097 8. Caused the association to:
 4098 a. Comply with all applicable federal, state, and local
 4099 laws and regulations and the governing documents of the
 4100 association;
 4101 b. Uniformly enforce the governing documents of the
 4102 association;
 4103 c. Hold meetings of the board with such frequency as to
 4104 properly and efficiently address the affairs of the association;
 4105 d. Obtain, when practicable, at least three bids from
 4106 reputable service providers who possess the proper licensing
 4107 before purchasing any service for use by the association;
 4108 e. Consult with appropriate professionals as necessary

4109 before making any major decision affecting the association or
4110 the common elements;

4111 f. Deposit all funds of the association for investment in
4112 government securities that are backed by the full faith and
4113 credit of the United States or in a financial institution, only
4114 if such funds do not exceed the institution's insured amount,
4115 whose accounts are insured by the Federal Deposit Insurance
4116 Corporation, the National Credit Union Share Insurance Fund, or
4117 the Securities Investor Protection Corporation;

4118 g. Maintain current, accurate, and properly documented
4119 financial records;

4120 h. Establish policies and procedures for the disclosure of
4121 potential conflicts of interest and the appropriate manner by
4122 which to resolve such conflicts;

4123 i. Establish policies and procedures that are designed to
4124 provide reasonable assurances in the reliability of financial
4125 reporting, including, without limitation, proper maintenance of
4126 accounting records, documentation of the authorization for
4127 receipts and disbursements, verification of the integrity of the
4128 data used in making business decisions, facilitation of fraud
4129 detection and prevention, and compliance with the applicable
4130 laws and regulations governing financial records;

4131 j. Prepare interim and annual financial statements that
4132 will allow the division, the board, the unit owners, and an
4133 accountant or auditor to determine whether the financial
4134 position of the association is fairly presented in accordance

4135 with good business practices;
 4136 k. Make the financial records of the association available
 4137 for inspection by the division in accordance with the applicable
 4138 laws and regulations of the state;
 4139 l. Cooperate with the division in resolving complaints
 4140 filed with the division; and
 4141 m. Adopt and fairly enforce the collection policies and
 4142 operating policies of the association.
 4143 (3) OPTIONAL PROVISIONS.—The bylaws as originally recorded
 4144 or as amended under the procedures provided therein may provide
 4145 for the following:
 4146 (a) A method of adopting and amending administrative rules
 4147 and regulations governing the details of the operation and use
 4148 of the common elements that may not be implemented before
 4149 publication and disbursement of such method to all members and
 4150 residents.
 4151 (b) Restrictions on and requirements for the use,
 4152 maintenance, and appearance of the units and the use of the
 4153 common elements.
 4154 (c) Provisions for giving notice ~~by electronic~~
 4155 ~~transmission~~ in a manner authorized by law of meetings of the
 4156 board of directors and committees and of annual and special
 4157 meetings of the members.
 4158 (d) Other provisions ~~which are~~ not inconsistent with this
 4159 chapter or with the documents declaration, as may be desired.
 4160 Section 52. Section 718.1124, Florida Statutes, is amended

4161 to read:

4162 718.1124 Failure to fill vacancies on board of
 4163 administration sufficient to constitute a quorum; appointment of
 4164 receiver upon petition of unit owner.—

4165 (1) If an association fails to fill vacancies on the board
 4166 of administration sufficient to constitute a quorum in
 4167 accordance with the bylaws, any unit owner may give notice of
 4168 his or her intent to apply to the circuit court within whose
 4169 jurisdiction the common interest community ~~condominium~~ lies for
 4170 the appointment of a receiver to manage the affairs of the
 4171 association. The form of the notice shall be as follows:

4172 NOTICE OF INTENT TO

4173 APPLY FOR RECEIVERSHIP

4174 YOU ARE HEREBY NOTIFIED that the undersigned owner of a common
 4175 interest community ~~condominium~~ unit in ...(name of common
 4176 interest community ~~condominium~~)... intends to file a petition in
 4177 the circuit court for appointment of a receiver to manage the
 4178 affairs of the association on the grounds that the association
 4179 has failed to fill vacancies on the board of administration
 4180 sufficient to constitute a quorum. This petition will not be
 4181 filed if the vacancies are filled within 30 days after the date
 4182 on which this notice was sent or posted, whichever is later. If
 4183 a receiver is appointed, the receiver shall have all of the
 4184 powers of the board and shall be entitled to receive a salary
 4185 and reimbursement of all costs and attorney ~~attorney's~~ fees
 4186 payable from association funds.

4187 | ...(name and address of petitioning unit owner)...

4188 | (2) The notice required by subsection (1) must be provided
 4189 | by the unit owner to the association by certified mail or
 4190 | personal delivery, must be posted in a conspicuous place on the
 4191 | common interest community ~~condominium~~ property, and must be
 4192 | provided by the unit owner to every other unit owner of the
 4193 | association by certified mail or personal delivery. The notice
 4194 | must be posted and mailed, electronically transmitted, or hand
 4195 | delivered at least 30 days before ~~prior to~~ the filing of a
 4196 | petition seeking receivership. Notice by mail to a unit owner
 4197 | shall be sent to the address used by the county property
 4198 | appraiser for notice to the unit owner, except that where a unit
 4199 | owner's address is not publicly available the notice shall be
 4200 | mailed to the unit.

4201 | (3) If the association fails to fill the vacancies within
 4202 | 30 days after the notice required by subsection (1) is posted
 4203 | and mailed or delivered, the unit owner may proceed with the
 4204 | petition.

4205 | (4) If a receiver is appointed, all unit owners shall be
 4206 | given written notice of such appointment as provided in s.
 4207 | 718.127.

4208 | (5) The association shall be responsible for the salary of
 4209 | the receiver, court costs, and attorney ~~attorney's~~ fees. The
 4210 | receiver shall have all powers and duties of a duly constituted
 4211 | board of administration and shall serve until the association
 4212 | fills vacancies on the board sufficient to constitute a quorum

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4213 and the court relieves the receiver of the appointment.

4214 Section 53. Section 718.113, Florida Statutes, is amended
4215 to read:

4216 718.113 Maintenance; limitation upon improvement; display
4217 of flag; hurricane ~~shutters and~~ protection; display of spiritual
4218 religious decorations; access ramps; decals; xeriscape; mold.-

4219 (1) Maintenance of the common elements is the
4220 responsibility of the association. The documents ~~declaration~~ may
4221 provide that certain limited common elements shall be maintained
4222 by those entitled to use the limited common elements or that the
4223 association shall provide the maintenance, either as a common
4224 expense or with the cost shared only by those entitled to use
4225 the limited common elements. If the maintenance is to be by the
4226 association at the expense of only those entitled to use the
4227 limited common elements, the documents ~~declaration~~ shall
4228 describe in detail the method of apportioning such costs among
4229 those entitled to use the limited common elements, and the
4230 association may use the provisions of s. 718.116 to enforce
4231 payment of the shares of such costs by the unit owners entitled
4232 to use the limited common elements.

4233 (2)~~(a)~~ Except as otherwise provided in this section, there
4234 shall be no material alteration or substantial additions to the
4235 common elements or to real property that is association
4236 property, common interest community property, or multi-common
4237 interest community property except in a manner provided in an
4238 amendment to the documents ~~which is association property, except~~

4239 ~~in a manner provided in the declaration as originally recorded~~
4240 ~~or as amended under the procedures provided therein. If the~~
4241 ~~declaration as originally recorded or as amended under the~~
4242 ~~procedures provided therein does not specify the procedure for~~
4243 ~~approval of material alterations or substantial additions, 75~~
4244 ~~percent of the total voting interests of the association must~~
4245 ~~approve the alterations or additions. This paragraph is intended~~
4246 ~~to clarify existing law and applies to associations existing on~~
4247 ~~October 1, 2008.~~

4248 ~~(b) There shall not be any material alteration of, or~~
4249 ~~substantial addition to, the common elements of any condominium~~
4250 ~~operated by a multicondominium association unless approved in~~
4251 ~~the manner provided in the declaration of the affected~~
4252 ~~condominium or condominiums as originally recorded or as amended~~
4253 ~~under the procedures provided therein. If a declaration as~~
4254 ~~originally recorded or as amended under the procedures provided~~
4255 ~~therein does not specify a procedure for approving such an~~
4256 ~~alteration or addition, the approval of 75 percent of the total~~
4257 ~~voting interests of each affected condominium is required. This~~
4258 ~~subsection does not prohibit a provision in any declaration,~~
4259 ~~articles of incorporation, or bylaws as originally recorded or~~
4260 ~~as amended under the procedures provided therein requiring the~~
4261 ~~approval of unit owners in any condominium operated by the same~~
4262 ~~association or requiring board approval before a material~~
4263 ~~alteration or substantial addition to the common elements is~~
4264 ~~permitted. This paragraph is intended to clarify existing law~~

4265 ~~and applies to associations existing on the effective date of~~
 4266 ~~this act.~~

4267 ~~(c) There shall not be any material alteration or~~
 4268 ~~substantial addition made to association real property operated~~
 4269 ~~by a multicondominium association, except as provided in the~~
 4270 ~~declaration, articles of incorporation, or bylaws as originally~~
 4271 ~~recorded or as amended under the procedures provided therein. If~~
 4272 ~~the declaration, articles of incorporation, or bylaws as~~
 4273 ~~originally recorded or as amended under the procedures provided~~
 4274 ~~therein do not specify the procedure for approving an alteration~~
 4275 ~~or addition to association real property, the approval of 75~~
 4276 ~~percent of the total voting interests of the association is~~
 4277 ~~required. This paragraph is intended to clarify existing law and~~
 4278 ~~applies to associations existing on the effective date of this~~
 4279 ~~act.~~

4280 (3) A unit owner shall not do anything within his or her
 4281 unit or on the common elements that ~~which~~ would adversely affect
 4282 the safety or soundness of the common elements or any portion of
 4283 the association property or common interest community
 4284 ~~condominium~~ property that ~~which~~ is to be maintained by the
 4285 association.

4286 (4) Any unit owner may display one portable, removable
 4287 United States flag in a respectful way and, on Armed Forces Day,
 4288 Memorial Day, Flag Day, Independence Day, and Veterans Day, may
 4289 display in a respectful way portable, removable official flags,
 4290 not larger than 4 1/2 feet by 6 feet, that represent the United

4291 States Army, Navy, Air Force, Marine Corps, or Coast Guard,
 4292 regardless of any declaration rules or requirements dealing with
 4293 flags or decorations. The flag must be equal in size or smaller
 4294 than the United States flag. An owner may erect a freestanding
 4295 flagpole on property not owned or maintained by the common
 4296 interest community that is no more than 20 feet high on any
 4297 portion of his or her real property if the flagpole does not
 4298 obstruct sightlines at intersections and is not erected within
 4299 or upon an easement. If a flagpole is installed on property
 4300 maintained by the association, reasonable accommodations shall
 4301 be adopted to allow display of the flag.

4302 (5) Each board ~~of administration~~ of a residential common
 4303 interest community condominium shall adopt building opening
 4304 hurricane protection shutter specifications for each building
 4305 within each common interest community condominium operated by
 4306 the association ~~that~~ ~~which~~ shall include color, style, and other
 4307 factors deemed relevant by the board. All specifications adopted
 4308 by the board must comply with or exceed the applicable building
 4309 code.

4310 (a) The board may, subject to s. 718.3026 and the approval
 4311 of a majority of voting interests of the residential common
 4312 interest community condominium, install building opening
 4313 ~~hurricane shutters, impact glass, code-compliant windows or~~
 4314 ~~doors, or other types of code-compliant hurricane protection~~
 4315 that complies ~~comply~~ with or exceeds ~~exceed~~ the applicable
 4316 building code. However, a vote of the owners is not required if

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4317 the maintenance, repair, and replacement of building opening
4318 ~~hurricane shutters, impact glass, code-compliant windows or~~
4319 ~~doors, or other types of code-compliant~~ hurricane protection is
4320 ~~are~~ the responsibility of the association pursuant to the
4321 declaration of common interest community ~~condominium~~. If
4322 hurricane protection or laminated glass or window film
4323 architecturally designed to function as hurricane protection
4324 that complies with or exceeds the current applicable building
4325 code has been previously installed, the board may not install
4326 additional hurricane shutters, impact glass, code-compliant
4327 ~~windows or doors, or other types of code-compliant~~ hurricane
4328 protection except upon approval by a majority vote of the owners
4329 at a duly called meeting ~~voting interests~~.

4330 (b) The association is responsible for the maintenance,
4331 repair, and replacement of the building opening ~~hurricane~~
4332 ~~shutters, impact glass, code-compliant windows or doors, or~~
4333 ~~other types of code-compliant~~ hurricane protection authorized by
4334 this subsection if such protection ~~property~~ is the
4335 responsibility of the association pursuant to the documents
4336 ~~declaration of condominium~~. If the building opening ~~hurricane~~
4337 ~~shutters, impact glass, code-compliant windows or doors, or~~
4338 ~~other types of code-compliant~~ hurricane protection authorized by
4339 this subsection is ~~are~~ the responsibility of the unit owners
4340 pursuant to the documents ~~declaration of condominium~~, the
4341 maintenance, repair, and replacement of such items are the
4342 responsibility of the unit owner.

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4343 (c) The board may operate shutters, ~~impact glass, code-~~
4344 ~~compliant windows or doors, or other types of code-compliant~~
4345 ~~hurricane protection~~ installed pursuant to this subsection
4346 without permission of the unit owners ~~only~~ if such operation is
4347 necessary to preserve and protect the common interest community
4348 ~~econdominium~~ property and association property. The installation,
4349 replacement, operation, repair, and maintenance of such
4350 shutters, ~~impact glass, code-compliant windows or doors, or~~
4351 ~~other types of code-compliant hurricane protection~~ in accordance
4352 with the procedures set forth in this paragraph are not a
4353 material alteration to the common elements or association
4354 property within the meaning of this section.

4355 (d) Notwithstanding any other provision in the residential
4356 common interest community ~~econdominium~~ documents, if approval is
4357 required by the documents, a board may not refuse to approve the
4358 installation or replacement of hurricane shutters, ~~impact glass,~~
4359 ~~code-compliant windows or doors, or other types of code-~~
4360 ~~compliant hurricane protection~~ by a unit owner conforming to the
4361 specifications adopted by the board.

4362 (e) A prohibition of use of hurricane shutters may not be
4363 enforced by the association unless the association also accepts
4364 the responsibility to install or operate such shutters at the
4365 time of a hurricane warning to protect the property.

4366 (6) An association may not refuse the request of a unit
4367 owner for a reasonable accommodation for the attachment on the
4368 mantel or frame of the door of the unit owner of a spiritual

4369 ~~religious~~ object not to exceed 3 inches wide, 6 inches high, and
 4370 1.5 inches deep.

4371 (7) Notwithstanding the provisions of this section or the
 4372 governing documents of a common interest community ~~condominium~~
 4373 or a multi-common interest community ~~multicondominium~~
 4374 association, the board ~~of administration~~ may, without any
 4375 requirement for approval of the unit owners, install upon or
 4376 within the common elements or association property solar
 4377 collectors, ~~clotheslines,~~ or other energy-efficient devices
 4378 based on renewable resources for the benefit of the unit owners.

4379 (8) (a) Any parcel owner may construct an access ramp if a
 4380 resident or occupant of the parcel has a medical necessity or
 4381 disability that requires a ramp for egress and ingress under the
 4382 following conditions:

4383 1. The ramp must be as unobtrusive as possible, be
 4384 designed to blend in as aesthetically as practicable, and be
 4385 reasonably sized to fit the intended use without obstructing
 4386 ingress or egress for any other person.

4387 2. Plans for the ramp must be submitted to the association
 4388 before it is installed and the association may make reasonable
 4389 requests to modify the design to achieve architectural
 4390 consistency with surrounding structures and surfaces.

4391 (b) The parcel owner must submit to the association an
 4392 affidavit from a physician attesting to the medical necessity or
 4393 disability of the resident or occupant of the parcel requiring
 4394 the access ramp. Certification used for s. 320.0848 shall be

4395 sufficient to meet the affidavit requirement.

4396 (c) Costs for installation, removal, and renovation of the
 4397 property to its original condition are the responsibility of the
 4398 owner.

4399 (9) An owner may display a sign or window decal of
 4400 reasonable size provided by a contractor for security services
 4401 within 10 feet of any entrance to the home as long as it is not
 4402 on common interest community property.

4403 (10) An association may not restrict, prohibit, or limit
 4404 xeriscape; prohibit or limit the installation or use of drought-
 4405 tolerant vegetative landscapes; or require cultivated vegetation
 4406 to consist exclusively or primarily of turf grass on property
 4407 that is the responsibility of the unit owner to maintain. Any
 4408 such restriction is contrary to public policy and, therefore,
 4409 the section of the documents that includes such restriction
 4410 shall be unenforceable and not a material alteration to the
 4411 common elements or association property within the meaning of
 4412 this section.

4413 (11) An association responsible for landscape installation
 4414 and maintenance on common property may, by amending the
 4415 declaration, provide for xeriscape and the use of drought-
 4416 tolerant vegetative landscapes. The association may replace
 4417 cultivated vegetation consisting exclusively or primarily of
 4418 turf grass on property that is the responsibility of the
 4419 association to maintain. Any such restriction is contrary to
 4420 public policy and, therefore, the section of the declaration

4421 that includes such restriction is unenforceable and not a
4422 material alteration to the common elements or association
4423 property within the meaning of this section.

4424 (12) (a) The prevention of mold and mildew in proximity to
4425 the unit is the unit owner's responsibility through proper
4426 inspection and maintenance of the unit.

4427 (b) The association is not responsible for the prevention
4428 of mold and mildew or any damages, including, but not limited
4429 to, any special or consequential damages, property damages,
4430 personal injury, loss of income, emotional distress, death, loss
4431 of use, loss of income, diminution or loss of value of the unit,
4432 economic damages, or adverse health effects relating to, arising
4433 from, or caused by mold and mildew accumulation regardless of
4434 the cause of the mold or mildew.

4435 (c) A unit owner, by virtue of his or her acceptance of
4436 title to the unit, and each other person having an interest in
4437 or lien upon, or making any use of, any portion of the common
4438 interest community property by virtue of accepting such interest
4439 or making such uses is bound by this subsection and shall be
4440 deemed to have automatically waived any and all claims,
4441 obligations, demands, damages, causes of action, liabilities,
4442 losses, and expenses, whether now known or hereafter known,
4443 foreseen or unforeseen, that the unit owner has, or may have in
4444 the future, in law or in equity arising out of, relating to, or
4445 in any way connected with indoor air quality, moisture, or the
4446 growth, release, discharge, dispersal, or presence of mold or

4447 mildew or any chemical or toxin secreted therefrom.

4448 Section 54. Section 718.114, Florida Statutes, is amended
4449 to read:

4450 718.114 Association powers.—

4451 (1) An association may enter into agreements to acquire
4452 leaseholds, memberships, and other possessory or use interests
4453 in lands or facilities such as country clubs, golf courses,
4454 marinas, and other recreational facilities, regardless of
4455 whether the lands or facilities are contiguous to the lands of
4456 the common interest community ~~condominium~~, if such lands and
4457 facilities are intended to provide enjoyment, recreation, or
4458 other use or benefit to the unit owners.

4459 (2) All of these leaseholds, memberships, and other
4460 possessory or use interests existing or created at the time of
4461 recording the declaration must be stated and fully described in
4462 the declaration.

4463 (3) Subsequent to the recording of the declaration,
4464 agreements acquiring these leaseholds, memberships, or other
4465 possessory or use interests ~~which are~~ not entered into within 12
4466 months after ~~of the date of~~ the recording of declaration ~~the~~
4467 ~~certificate of a surveyor and mapper pursuant to s.~~
4468 ~~718.104(4)(c) or the recording of an instrument that transfers~~
4469 ~~title to a unit in the condominium which is not accompanied by a~~
4470 ~~recorded assignment of developer rights in favor of the grantee~~
4471 ~~of such unit, whichever occurs first,~~ are a material alteration
4472 or substantial addition to the real property that is association

4473 property, and the association may not acquire or enter into such
 4474 agreements except upon a vote of, or written consent by, a
 4475 majority of the total voting interests or as authorized by the
 4476 declaration as provided in s. 718.113.

4477 (4) The declaration may provide that the rental,
 4478 membership fees, operations, replacements, and other expenses
 4479 are common expenses and may impose covenants and restrictions
 4480 concerning their use and may contain other provisions not
 4481 inconsistent with this chapter.

4482 (5) Mandatory membership or other possessory or use rights
 4483 may only be enforced upon membership-owned facilities.

4484 (6) A common interest community ~~condominium association~~
 4485 may conduct bingo games as provided in s. 849.0931.

4486 Section 55. Section 718.115, Florida Statutes, is amended
 4487 to read:

4488 718.115 Common expenses and common surplus.—

4489 ~~(1)(a)~~ Common expenses include the expenses of the
 4490 operation, maintenance, repair, replacement, or protection of
 4491 the common elements and association property, costs of carrying
 4492 out the responsibilities ~~powers~~ and duties of the association,
 4493 and any other expense, whether or not included in the foregoing,
 4494 designated as common expense by this chapter, the governing
 4495 documents ~~declaration~~, the documents creating the association,
 4496 or the bylaws.

4497 (1) Common expenses also include reasonable transportation
 4498 services, insurance for directors and officers, road maintenance

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4499 and operation expenses, in-house communications, and security
4500 services, that ~~which~~ are reasonably related to the general
4501 benefit of the unit owners even if such expenses do not attach
4502 to the common elements or property of the common interest
4503 community condominium.

4504 (2) However, such common expenses must either have been
4505 services or items provided on or after the date control of the
4506 association is transferred from the developer to the unit owners
4507 or must be services or items provided for in the common interest
4508 community condominium documents or bylaws.

4509 (3) Unless the manner of payment or allocation of expenses
4510 is otherwise addressed in the documents ~~declaration of~~
4511 ~~condominium~~, the expenses of any items or services required by
4512 any federal, state, or local governmental entity to be
4513 installed, maintained, or supplied to the common interest
4514 community condominium property by the association, including,
4515 but not limited to, firesafety equipment or water and sewer
4516 service where a master meter serves the common interest
4517 community condominium, shall be common expenses as provided in
4518 subsection (4), regardless of whether ~~or not~~ such items or
4519 services are specifically identified as common expenses in the
4520 documents ~~declaration of condominium~~, articles of incorporation,
4521 or bylaws of the association.

4522 (4) In a common interest community where water service is
4523 provided through a master meter serving the common interest
4524 community, if the board determines water usage per unit,

4525 compared to similar common interest communities with individual
4526 meters, is excessive, individual meters may be installed at the
4527 common interest community. The installation of meters may be by
4528 the utility company serving the common interest community or
4529 sub-meters may be installed by the common interest community and
4530 the common interest community shall bill each unit at least
4531 quarterly for the usage based on the actual cost per gallon of
4532 water and sewer service billed by the utility. Such meters may
4533 not be considered material alterations or a change in the
4534 allocation of common expenses.

4535 (5) The common expenses of a common interest community
4536 within a multi-common interest community are the common expenses
4537 directly attributable to the operation of that common interest
4538 community.

4539 ~~(b) The common expenses of a condominium within a~~
4540 ~~multicondominium are the common expenses directly attributable~~
4541 ~~to the operation of that condominium. The common expenses of the~~
4542 ~~a multicondominium association do not include the common~~
4543 ~~expenses directly attributable to the operation of any specific~~
4544 ~~multi-common interest community, common interest community, or~~
4545 ~~common interest communities within the multi-common interest~~
4546 ~~community condominium or condominiums within the~~
4547 ~~multicondominium. This paragraph is intended to clarify existing~~
4548 ~~law and applies to associations existing on the effective date~~
4549 ~~of this act.~~

4550 (6)(e) The common expenses of a multi-common interest

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4551 community ~~multicondominium~~ association may include categories of
4552 expenses related to the property or common elements within a
4553 specific common interest community ~~condominium~~ in the multi-
4554 common interest community ~~multicondominium~~ if such property or
4555 common elements are areas in which all members of the multi-
4556 common interest community ~~multicondominium~~ association have use
4557 rights or from which all members receive tangible economic
4558 benefits. Such common expenses of the association shall be
4559 identified in the documents ~~declaration~~ or bylaws as originally
4560 recorded or as amended under the procedures provided therein of
4561 each common interest community ~~condominium~~ within the multi-
4562 common interest community ~~multicondominium~~ association. ~~This~~
4563 ~~paragraph is intended to clarify existing law and applies to~~
4564 ~~associations existing on the effective date of this act.~~

4565 (7)(d) If provided in the documents ~~declaration~~, the cost
4566 of a master antenna system ~~communications services as defined in~~
4567 ~~chapter 202, information services,~~ or duly franchised cable
4568 service ~~Internet services~~ obtained pursuant to a bulk contract
4569 is a common expense. If the documents ~~do declaration does~~ not
4570 provide for the cost of a master antenna system or duly
4571 franchised cable service obtained under a bulk contract ~~such~~
4572 ~~services~~ as a common expense, the board may enter into such a
4573 contract, and the cost of the service will be a common expense
4574 but. ~~The cost for the services under a bulk rate contract may be~~
4575 allocated on a per-unit basis rather than a percentage basis if
4576 the documents ~~provide declaration provides~~ for other than an

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4577 equal sharing of common expenses, and any contract entered into
4578 before July 1, 2016 ~~1998~~, in which the cost of the service is
4579 not equally divided among all unit owners, may be changed by
4580 vote of a majority of the voting interests present at a regular
4581 or special meeting of the association, to allocate the cost
4582 equally among all units. The contract shall ~~must~~ be for a term
4583 of at least ~~at least~~ 2 years.

4584 (a)1. Any contract made by the board on or after July 1,
4585 2016 ~~1998~~, for a community antenna system or duly franchised
4586 cable service may be canceled by a majority of the voting
4587 interests present at the next regular or special meeting of the
4588 association. The question shall be included on the limited proxy
4589 for the meeting and a copy of the contract shall be included
4590 with the information for the meeting. If the question ~~Any member~~
4591 ~~may make a motion to cancel the contract, but if no motion is~~
4592 ~~made or if such motion~~ fails to obtain the required majority at
4593 the next regular or special meeting, whichever occurs first,
4594 following the making of the contract, such contract shall be
4595 deemed ratified for the term therein expressed.

4596 (b)2. Any such contract shall ~~must~~ provide, and is deemed
4597 to provide if not expressly set forth, that any hearing-impaired
4598 or legally blind unit owner who does not occupy the unit with a
4599 non-hearing-impaired or sighted person, or any unit owner
4600 receiving supplemental security income under Title XVI of the
4601 Social Security Act or food stamps ~~assistance~~ as administered by
4602 the Department of Children and Families pursuant to s. 414.31,

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4603 may discontinue the cable or video service without incurring
4604 disconnect fees, penalties, or subsequent service charges, and,
4605 as to such units, the owners are not required to pay any common
4606 expenses charge related to such service and that amount shall be
4607 deducted from the amount of the payment required to be made to
4608 the service provider. If fewer than all members of an
4609 association share the expenses of cable or video service, the
4610 expense shall be shared equally by all participating unit
4611 owners. The association may use the provisions of s. 718.116 to
4612 enforce payment of the shares of such costs by the unit owners
4613 receiving cable ~~or video~~ service. If a unit owner is in default
4614 of payment of regular assessments for more than 60 days, the
4615 service provider, upon request by the association, shall
4616 terminate the service to the unit without charge to the
4617 association and adjust the payment due to the service provider
4618 to remove the relevant charge. Any charge to reconnect services
4619 shall be at the expense of the unit owner.

4620 (8)(e) The expense of installation, replacement,
4621 operation, repair, and maintenance of building opening hurricane
4622 ~~shutters, impact glass, code-compliant windows or doors, or~~
4623 ~~other types of code-compliant~~ hurricane protection by the board
4624 pursuant to s. 718.113(5) constitutes a common expense and shall
4625 be collected as provided in this section if the association is
4626 responsible for the maintenance, repair, and replacement of the
4627 building opening ~~hurricane shutters, impact glass, code-~~
4628 ~~compliant windows or doors, or other types of code-compliant~~

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4629 hurricane protection pursuant to the documents of the common
4630 interest community declaration ~~of condominium.~~

4631 (a) However, if the maintenance, repair, and replacement
4632 of the hurricane protection is shutters, ~~impact glass, code-~~
4633 ~~compliant windows or doors, or other types of code-compliant~~
4634 ~~hurricane protection~~ are the responsibility of the unit owners
4635 pursuant to the documents of the common interest community
4636 ~~declaration of condominium~~, the cost of the installation of the
4637 hurricane shutters, ~~impact glass, code-compliant windows or~~
4638 ~~doors, or other types of code-compliant hurricane protection~~ is
4639 not a common expense and shall be charged individually to the
4640 unit owners based on the cost of installation of the hurricane
4641 shutters, ~~impact glass, code-compliant windows or doors, or~~
4642 ~~other types of code-compliant hurricane protection~~ appurtenant
4643 to the unit.

4644 (b) Notwithstanding s. 718.116(10) ~~718.116(9)~~, and
4645 regardless of whether ~~or not~~ the documents require declaration
4646 ~~requires~~ the association or unit owners to maintain, repair, or
4647 replace hurricane shutters, ~~impact glass, code-compliant windows~~
4648 ~~or doors, or other types of code-compliant hurricane protection~~,
4649 a unit owner who has previously installed hurricane protection
4650 ~~shutters~~ in accordance with s. 718.113(5) ~~that comply with the~~
4651 ~~current applicable building code~~ shall receive a credit ~~when the~~
4652 ~~shutters are installed; a unit owner who has previously~~
4653 ~~installed impact glass or code-compliant windows or doors that~~
4654 ~~comply with the current applicable building code shall receive a~~

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4655 ~~credit when the impact glass or code-compliant windows or doors~~
4656 ~~are installed; and a unit owner who has installed other types of~~
4657 ~~code-compliant hurricane protection that comply with the current~~
4658 ~~applicable building code shall receive a credit when the same~~
4659 ~~type of other code-compliant hurricane protection is installed,~~
4660 ~~and the credit shall be equal to the pro rata portion of the~~
4661 ~~assessed installation cost assigned to each unit.~~

4662 (c) However, such unit owner remains responsible for the
4663 pro rata share of expenses for hurricane shutters, ~~impact glass,~~
4664 ~~code-compliant windows or doors, or other types of code-~~
4665 ~~compliant hurricane protection installed on common elements and~~
4666 ~~association property by the board pursuant to s. 718.113(5) and~~
4667 ~~remains responsible for a pro rata share of the expense of the~~
4668 ~~replacement, operation, repair, and maintenance of such~~
4669 ~~shutters, impact glass, code-compliant windows or doors, or~~
4670 ~~other types of code-compliant hurricane protection.~~

4671 (9) If common expenses are based on the size of the unit,
4672 any other charges that are considered common expenses but are
4673 not attributable to the size of the unit shall be allocated to
4674 the units on a per-unit basis and not prorated by any regular or
4675 special assessment allocation based on the unit's size. The
4676 division shall by rule determine what expenses shall be included
4677 under this subsection.

4678 ~~(f) Common expenses include the costs of insurance~~
4679 ~~acquired by the association under the authority of s.~~
4680 ~~718.111(11), including costs and contingent expenses required to~~

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4681 ~~participate in a self-insurance fund authorized and approved~~
4682 ~~pursuant to s. 624.462.~~

4683 ~~(g) If any unpaid share of common expenses or assessments~~
4684 ~~is extinguished by foreclosure of a superior lien or by a deed~~
4685 ~~in lieu of foreclosure thereof, the unpaid share of common~~
4686 ~~expenses or assessments are common expenses collectible from all~~
4687 ~~the unit owners in the condominium in which the unit is located.~~

4688 ~~(10)(2)~~ Except as otherwise provided by this chapter,
4689 funds for payment of the common expenses of a common interest
4690 community condominium shall be collected by assessments against
4691 the units in that common interest community condominium in the
4692 proportions or percentages provided in that common interest
4693 community's documents condominium's declaration. Each unit's In
4694 ~~a residential condominium, or mixed-use condominium created~~
4695 ~~after January 1, 1996, each unit's share of the common expenses~~
4696 ~~of the common interest community condominium and common surplus~~
4697 ~~of the common interest community condominium shall be the same~~
4698 ~~as the unit's appurtenant ownership interest in the common~~
4699 ~~elements.~~

4700 ~~(3) Common surplus is owned by unit owners in the same~~
4701 ~~shares as their ownership interest in the common elements.~~

4702 ~~(11)(4)(a)~~ Funds for payment of the common expenses of a
4703 common interest community condominium within a multi-common
4704 interest community multicondominium shall be collected as
4705 provided in subsection ~~(10)(2)~~. Common expenses of a multi-
4706 common interest community multicondominium association shall be

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4707 funded by assessments against all unit owners in the association
 4708 in the proportion or percentage set forth in the declaration or
 4709 documents as required by s. 718.104(6)(1) ~~718.104(4)(h)~~ ~~or~~ s.
 4710 718.110(12), or subsections (1) and (2) of this section, as
 4711 applicable.

4712 (b) In a multi-common interest community ~~multicondominium~~
 4713 association, the total common surplus owned by a unit owner
 4714 consists of that owner's share of the common surplus of the
 4715 association plus that owner's share of the common surplus of the
 4716 common interest community ~~condominium~~ in which the owner's unit
 4717 is located, in the proportion or percentage set forth in the
 4718 declaration or documents as required by s. 718.104(6)(1),
 4719 ~~718.104(4)(h)~~ ~~or~~ s. 718.110(12), or subsections (1) and (2), as
 4720 applicable.

4721 Section 56. Section 718.116, Florida Statutes, is amended
 4722 to read:

4723 718.116 Assessments; liability; lien and priority;
 4724 interest; collection.—

4725 (1)(a) A unit owner, regardless of how ~~his or her~~ title
 4726 has been acquired, including by purchase at a foreclosure sale
 4727 or by deed in lieu of foreclosure, is liable for all assessments
 4728 that ~~which~~ come due during ownership ~~while he or she is the unit~~
 4729 ~~owner~~. Additionally, a unit owner is jointly and severally
 4730 liable with the previous owner for all unpaid assessments and
 4731 costs that came due up to the time of transfer of title. This
 4732 liability is without prejudice to any right the owner may have

4733 to recover from the previous owner the amounts paid by the
4734 owner. For the purposes of this paragraph, the term "previous
4735 owner" does not include an association that acquires title to a
4736 delinquent property through foreclosure or by deed in lieu of
4737 foreclosure. A present unit owner's liability for unpaid
4738 assessments is limited to any unpaid assessments that accrued
4739 before the association acquired title to the delinquent property
4740 through foreclosure or by deed in lieu of foreclosure.

4741 (b)1. The person acquiring title shall pay the amount owed
4742 to the association within 30 days after transfer of title.
4743 Failure to pay the full amount when due entitles the association
4744 to record a claim of lien and proceed in the same manner as
4745 provided in this section for the collection of unpaid
4746 assessments.

4747 (c) Notwithstanding the provisions of chapter 48, the
4748 association is a proper party to intervene in any foreclosure
4749 proceeding to seek equitable relief. ~~liability of a first~~
4750 ~~mortgagee or its successor or assignees who acquire title to a~~
4751 ~~unit by foreclosure or by deed in lieu of foreclosure for the~~
4752 ~~unpaid assessments that became due before the mortgagee's~~
4753 ~~acquisition of title is limited to the lesser of:~~

4754 ~~a. The unit's unpaid common expenses and regular periodic~~
4755 ~~assessments which accrued or came due during the 12 months~~
4756 ~~immediately preceding the acquisition of title and for which~~
4757 ~~payment in full has not been received by the association; or~~

4758 ~~b. One percent of the original mortgage debt. The~~

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4759 ~~provisions of this paragraph apply only if the first mortgagee~~
4760 ~~joined the association as a defendant in the foreclosure action.~~
4761 ~~Joinder of the association is not required if, on the date the~~
4762 ~~complaint is filed, the association was dissolved or did not~~
4763 ~~maintain an office or agent for service of process at a location~~
4764 ~~which was known to or reasonably discoverable by the mortgagee.~~

4765 (2)~~2.~~ An association, or its successor or assignee, that
4766 acquires title to a unit through the foreclosure of its lien for
4767 assessments is not liable for any unpaid assessments, late fees,
4768 interest, or reasonable attorney ~~attorney's~~ fees and costs that
4769 came due before the association's acquisition of title in favor
4770 of any other association, as defined in s. 718.103(2) that ~~or s.~~
4771 ~~720.301(9), which~~ holds a superior lien interest on the unit.
4772 This subsection ~~subparagraph~~ is intended to clarify existing
4773 law.

4774 ~~(c) The person acquiring title shall pay the amount owed~~
4775 ~~to the association within 30 days after transfer of title.~~
4776 ~~Failure to pay the full amount when due shall entitle the~~
4777 ~~association to record a claim of lien against the parcel and~~
4778 ~~proceed in the same manner as provided in this section for the~~
4779 ~~collection of unpaid assessments.~~

4780 ~~(d) With respect to each timeshare unit, each owner of a~~
4781 ~~timeshare estate therein is jointly and severally liable for the~~
4782 ~~payment of all assessments and other charges levied against or~~
4783 ~~with respect to that unit pursuant to the declaration or bylaws,~~
4784 ~~except to the extent that the declaration or bylaws may provide~~

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4785 ~~to the contrary.~~

4786 ~~(c) Notwithstanding the provisions of paragraph (b), a~~
4787 ~~first mortgagee or its successor or assignees who acquire title~~
4788 ~~to a condominium unit as a result of the foreclosure of the~~
4789 ~~mortgage or by deed in lieu of foreclosure of the mortgage shall~~
4790 ~~be exempt from liability for all unpaid assessments attributable~~
4791 ~~to the parcel or chargeable to the previous owner which came due~~
4792 ~~prior to acquisition of title if the first mortgage was recorded~~
4793 ~~prior to April 1, 1992. If, however, the first mortgage was~~
4794 ~~recorded on or after April 1, 1992, or on the date the mortgage~~
4795 ~~was recorded, the declaration included language incorporating by~~
4796 ~~reference future amendments to this chapter, the provisions of~~
4797 ~~paragraph (b) shall apply.~~

4798 ~~(f) The provisions of this subsection are intended to~~
4799 ~~clarify existing law, and shall not be available in any case~~
4800 ~~where the unpaid assessments sought to be recovered by the~~
4801 ~~association are secured by a lien recorded prior to the~~
4802 ~~recording of the mortgage. Notwithstanding the provisions of~~
4803 ~~chapter 48, the association shall be a proper party to intervene~~
4804 ~~in any foreclosure proceeding to seek equitable relief.~~

4805 ~~(g) For purposes of this subsection, the term "successor~~
4806 ~~or assignee" as used with respect to a first mortgagee includes~~
4807 ~~only a subsequent holder of the first mortgage.~~

4808 (3)~~(2)~~ The liability for assessments may not be avoided by
4809 waiver of the use or enjoyment of any common element or by
4810 abandonment of the unit for which the assessments are made.

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4811 (4)~~(3)~~ Assessments and installments on assessments that
4812 ~~which~~ are not paid when due bear interest at the rate provided
4813 in the documents ~~declaration~~, from the due date until paid. The
4814 rate may not exceed the rate allowed by law, and, if no rate is
4815 provided in the documents ~~declaration~~, interest accrues at the
4816 rate of 18 percent per year. If not prohibited ~~provided~~ by the
4817 documents ~~declaration~~ or bylaws, the association may, ~~in~~
4818 ~~addition to such interest~~, charge an administrative late fee in
4819 addition to such interest in an amount not to exceed ~~of up to~~
4820 the greater of \$25 or 5 percent of each ~~delinquent~~ installment
4821 when ~~for which~~ the payment is late. Any payment received by an
4822 association must be applied first to any interest accrued by the
4823 association, then to any administrative late fee, then to any
4824 costs and reasonable costs for collection services for which the
4825 association has contracted against the unit owner, then to
4826 reasonable attorney fees incurred in collection, and then to the
4827 delinquent assessment. The foregoing is applicable
4828 notwithstanding s. 673.3111, any purported accord and
4829 satisfaction, or any restrictive endorsement, designation, or
4830 instruction placed on or accompanying a payment. The preceding
4831 sentence is intended to clarify existing law. A late fee is not
4832 subject to chapter 687 or s. 718.303(4).

4833 (5)~~(4)~~ If the association is authorized by the declaration
4834 or bylaws to approve or disapprove a proposed lease of a unit,
4835 the grounds for disapproval may include, but are not limited to,
4836 a unit owner being delinquent in the payment of an assessment at

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4837 the time approval is sought.

4838 (6)~~(5)~~~~(a)~~ The association has a lien on each common
4839 interest community ~~condominium~~ parcel to secure the payment of
4840 assessments. Except as otherwise provided in subsection (1) and
4841 as set forth below, the lien is effective from and shall relate
4842 back to the recording of the original documents ~~declaration of~~
4843 ~~condominium~~, or, in the case of lien on a parcel located in a
4844 phase common interest community ~~condominium~~, the last to occur
4845 of the recording of the original documents ~~declaration~~ or
4846 amendment thereto creating the parcel. ~~However, as to first~~
4847 ~~mortgages of record, the lien is effective from and after~~
4848 ~~recording of a claim of lien in the public records of the county~~
4849 ~~in which the condominium parcel is located. Nothing in this~~
4850 ~~subsection shall be construed to bestow upon any lien, mortgage,~~
4851 ~~or certified judgment of record on April 1, 1992, including the~~
4852 ~~lien for unpaid assessments created herein, a priority which, by~~
4853 ~~law, the lien, mortgage, or judgment did not have before that~~
4854 ~~date.~~

4855 (a)~~(b)~~ To be valid, a claim of lien must state the
4856 description of the common interest community ~~condominium~~ parcel,
4857 the name of the record owner, the name and address of the
4858 association, the amount due, and the due dates. It must be
4859 executed and acknowledged by an officer or authorized agent of
4860 the association. The lien is not effective 1 year after the
4861 claim of lien was recorded unless, within that time, an action
4862 to enforce the lien is commenced. The 1-year period is

4863 automatically extended for any length of time during which the
 4864 association is prevented from filing a foreclosure action by an
 4865 automatic stay resulting from a bankruptcy petition filed by the
 4866 parcel owner or any other person claiming an interest in the
 4867 parcel. The claim of lien secures all unpaid assessments that
 4868 are due and that may accrue after the claim of lien is recorded
 4869 and before ~~through~~ the entry of a certificate of title final
 4870 judgment, as well as interest, administrative late fees, and all
 4871 reasonable costs and attorney fees incurred by the association
 4872 incident to the collection process. Upon payment in full, the
 4873 person making the payment is entitled to a satisfaction of the
 4874 lien.

4875 (b)(e) By recording a notice of contest of lien ~~in~~
 4876 ~~substantially the following form~~, a unit owner or the unit
 4877 owner's agent or attorney may require the association to enforce
 4878 a recorded claim of lien against his or her common interest
 4879 community condominium parcel.÷

4880 NOTICE OF CONTEST OF LIEN

4881 TO: ~~... (Name and address of association) ... You are~~
 4882 ~~notified that the undersigned contests the claim of lien filed~~
 4883 ~~by you on, ... (year) ..., and recorded in Official Records~~
 4884 ~~Book at Page, of the public records of County,~~
 4885 ~~Florida, and that the time within which you may file suit to~~
 4886 ~~enforce your lien is limited to 90 days from the date of service~~
 4887 ~~of this notice. Executed this day of, ... (year)~~
 4888 Signed: ~~... (Owner or Attorney) ...~~

4889 After notice of contest of lien has been recorded, the clerk of
 4890 the circuit court shall mail a copy of the recorded notice to
 4891 the association by certified mail, return receipt requested, at
 4892 the address shown in the claim of lien or most recent amendment
 4893 to it and shall certify to the service on the face of the
 4894 notice. Service is complete upon mailing. After service, the
 4895 association has 90 days in which to file an action to enforce
 4896 the lien; and, if the action is not filed within the 90-day
 4897 period, the lien is void. However, the 90-day period shall be
 4898 extended for any length of time during which the association is
 4899 prevented from filing its action because of an automatic stay
 4900 resulting from the filing of a bankruptcy petition by the unit
 4901 owner or by any other person claiming an interest in the parcel.

4902 (c)-(d) A release of lien must be filed within 10 days
 4903 after the final payment. ~~in substantially the following form:~~

4904 ~~RELEASE OF LIEN~~

4905 ~~The undersigned lienor, in consideration of the final payment in~~
 4906 ~~the amount of \$...., hereby waives and releases its lien and~~
 4907 ~~right to claim a lien for unpaid assessments through,~~
 4908 ~~...(year)..., recorded in the Official Records Book at Page~~
 4909 ~~...., of the public records of County, Florida, for the~~
 4910 ~~following described real property:~~

4911 ~~UNIT NO. OF ... (NAME OF CONDOMINIUM) ..., A CONDOMINIUM AS~~
 4912 ~~SET FORTH IN THE DECLARATION OF CONDOMINIUM AND THE EXHIBITS~~
 4913 ~~ANNEXED THERETO AND FORMING A PART THEREOF, RECORDED IN OFFICIAL~~
 4914 ~~RECORDS BOOK, PAGE, OF THE PUBLIC RECORDS OF~~

4915 COUNTY, FLORIDA. THE ABOVE DESCRIPTION INCLUDES, BUT IS NOT
 4916 LIMITED TO, ALL APPURTENANCES TO THE CONDOMINIUM UNIT ABOVE
 4917 DESCRIBED, INCLUDING THE UNDIVIDED INTEREST IN THE COMMON
 4918 ELEMENTS OF SAID CONDOMINIUM.

4919 ~~... (Signature of Authorized Agent) (Signature of Witness) ...~~
 4920 ~~... (Print Name) ...~~ ~~... (Print Name) ...~~
 4921 ~~... (Signature of Witness) ...~~
 4922 ~~... (Print Name) ...~~

4923 Sworn to (or affirmed) and subscribed before me this day of
 4924 ~~...., ... (year) ..., by ... (name of person making statement)~~
 4925 ~~... (Signature of Notary Public) ...~~

4926 ~~... (Print, type, or stamp commissioned name of Notary Public) ...~~
 4927 ~~Personally Known OR Produced as identification.~~

4928 (7)(6)(a) The association may bring an action in its name
 4929 to foreclose a lien for assessments in the manner a mortgage of
 4930 real property is foreclosed and may also bring an action to
 4931 recover a money judgment, including in county court or small
 4932 claims court, for the unpaid assessments without waiving any
 4933 claim of lien. Any money judgment obtained shall continue to
 4934 increase based on any additional assessments, fees, or costs
 4935 reasonably expended or coming due until such judgment is paid in
 4936 full. The association is entitled to recover its reasonable
 4937 attorney ~~attorney's~~ fees incurred in either a lien foreclosure
 4938 action or an action to recover a money judgment for unpaid
 4939 assessments.

4940 (a)(b) No foreclosure judgment may be entered until at

4941 least 30 days after the association gives written notice to the
 4942 unit owner of its intention to foreclose its lien to collect the
 4943 unpaid assessments. ~~The notice must be in substantially the~~
 4944 ~~following form:~~

4945 ~~DELINQUENT ASSESSMENT~~

4946 ~~This letter is to inform you a Claim of Lien has been filed~~
 4947 ~~against your property because you have not paid the ... (type of~~
 4948 ~~assessment)... assessment to ... (name of association).... The~~
 4949 ~~association intends to foreclose the lien and collect the unpaid~~
 4950 ~~amount within 30 days of this letter being provided to you.~~
 4951 ~~You owe the interest accruing from ... (month/year)... to the~~
 4952 ~~present. As of the date of this letter, the total amount due~~
 4953 ~~with interest is \$..... All costs of any action and interest~~
 4954 ~~from this day forward will also be charged to your account.~~
 4955 ~~Any questions concerning this matter should be directed to~~
 4956 ~~...(insert name, addresses, and telephone numbers of association~~
 4957 ~~representative)....~~

4958 If this notice is not given at least 30 days before the
 4959 foreclosure action is filed, and if the unpaid assessments,
 4960 including those coming due after the claim of lien is recorded,
 4961 are paid before the entry of a final judgment of foreclosure,
 4962 the association shall not recover attorney ~~attorney's~~ fees or
 4963 costs. The notice must be given by delivery of a copy of it to
 4964 the unit owner or by certified or registered mail, return
 4965 receipt requested, addressed to the unit owner at his or her
 4966 last known address; and, upon such mailing, the notice shall be

4967 deemed to have been given, and the court shall proceed with the
 4968 foreclosure action and may award attorney ~~attorney's~~ fees and
 4969 costs as permitted by law. The notice requirements of this
 4970 subsection are satisfied if the unit owner records a notice of
 4971 contest of lien as provided in subsection (6) ~~(5)~~. The notice
 4972 requirements of this subsection do not apply if an action to
 4973 foreclose a mortgage on the common interest community
 4974 ~~condominium~~ unit is pending before any court; if the rights of
 4975 the association would be affected by such foreclosure; and if
 4976 actual, constructive, or substitute service of process has been
 4977 made on the unit owner.

4978 (b) ~~(e)~~ If the unit owner remains in possession of the unit
 4979 after a foreclosure judgment has been entered, the court, in its
 4980 discretion, may require the unit owner to pay a reasonable
 4981 rental for the unit. If the unit is rented or leased during the
 4982 pendency of the foreclosure action, the association is entitled
 4983 to the appointment of a receiver to collect the rent. The
 4984 expenses of the receiver shall be paid by the party that ~~which~~
 4985 does not prevail in the foreclosure action.

4986 (c) ~~(d)~~ The association may ~~has the power to~~ purchase the
 4987 common interest community ~~condominium~~ parcel at the foreclosure
 4988 sale and to hold, lease, mortgage, or convey it.

4989 (8) ~~(7)~~ A ~~first~~ mortgagee acquiring title to a common
 4990 interest community ~~condominium~~ parcel as a result of
 4991 foreclosure, or a deed in lieu of foreclosure, may not, during
 4992 the period of its ownership of such parcel, whether or not such

4993 parcel is unoccupied, be excused from the payment of some or all
4994 of the common expenses coming due during the period of such
4995 ownership. It is the public policy of the state to prohibit the
4996 inclusion or enforcement of superiority of lien clauses in
4997 mortgage contracts or declarations for common interest
4998 communities and, therefore, such clauses are void. This
4999 subsection applies retroactively and is remedial in nature.

5000 (9)~~(8)~~ Within 15 days after receiving a written request
5001 ~~therefor~~ from a unit owner or his or her designee, or a unit
5002 mortgagee or his or her designee, the association or its agent
5003 shall provide a certificate signed by an officer or agent of the
5004 association stating all assessments and other moneys owed to the
5005 association by the unit owner with respect to the common
5006 interest community condominium parcel.

5007 (a) Any person other than the owner who relies upon such
5008 certificate shall be protected thereby.

5009 (b) A summary proceeding pursuant to s. 51.011 may be
5010 brought to compel compliance with this subsection, and in any
5011 such action the prevailing party is entitled to recover
5012 reasonable attorney ~~attorney's~~ fees.

5013 (c) Notwithstanding any limitation on transfer fees
5014 contained in s. 718.112(2)(j) ~~718.112(2)(i)~~, the association or
5015 its authorized agent may charge a reasonable fee or the cost of
5016 attorney fees incurred for the preparation of the certificate.
5017 The amount of the fee must be included on the certificate.

5018 (d) The authority to charge a fee for the certificate

5019 shall be established by a written resolution adopted by the
 5020 board or provided by a written management, bookkeeping, or
 5021 retainer agreement ~~maintenance contract~~ and is payable upon the
 5022 preparation of the certificate. If the certificate is requested
 5023 in conjunction with the sale or mortgage of a unit, the contract
 5024 or mortgage application must state that the fee is not
 5025 refundable ~~but the closing does not occur and no later than 30~~
 5026 ~~days after the closing date for which the certificate was sought~~
 5027 ~~the preparer receives a written request, accompanied by~~
 5028 ~~reasonable documentation, that the sale did not occur from a~~
 5029 ~~payor that is not the unit owner, the fee shall be refunded to~~
 5030 ~~that payor within 30 days after receipt of the request. The~~
 5031 ~~refund is the obligation of the unit owner, and the association~~
 5032 ~~may collect it from that owner in the same manner as an~~
 5033 ~~assessment as provided in this section.~~

5034 (10)~~(9)~~(a) A unit owner may not be excused from payment of
 5035 the unit owner's share of common expenses unless all other unit
 5036 owners are likewise proportionately excluded from payment,
 5037 except as provided in subsection (1) and in the following cases:
 5038 1. If authorized by the documents ~~declaration~~, a developer
 5039 who is offering units for sale may elect to be excused from
 5040 payment of assessments against those unsold units for a stated
 5041 period of time after the documents are ~~declaration is~~ recorded.
 5042 However, the developer must pay common expenses incurred during
 5043 the ~~such~~ period that ~~which~~ exceed regular periodic assessments
 5044 against other unit owners in the same common interest community

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5045 ~~condominium~~. The stated period must terminate no later than the
5046 first day of the fourth calendar month following the month in
5047 which the first closing occurs of a purchase contract for a unit
5048 in that common interest community ~~condominium~~. If a developer-
5049 controlled association has maintained ~~all~~ insurance coverage
5050 required by s. 718.111(11)(a), common expenses incurred during
5051 the stated period resulting from a natural disaster or an act of
5052 God occurring during the stated period, that ~~which~~ are not
5053 covered by proceeds from insurance maintained by the
5054 association, may be assessed against all unit owners owning
5055 units on the date of such natural disaster or act of God, and
5056 their respective successors and assigns, including the developer
5057 with respect to units owned by the developer. In the event of
5058 such an assessment, all units shall be assessed in accordance
5059 with s. 718.115(10) ~~718.115(2)~~.

5060 2. A developer who owns common interest community
5061 ~~condominium~~ units, and who is offering the units for sale, may
5062 be excused from payment of assessments against those unsold
5063 units for the period of time the developer has guaranteed to all
5064 buyers ~~purchasers~~ or other unit owners in the same common
5065 interest community ~~condominium~~ that assessments will not exceed
5066 a stated dollar amount and that the developer will pay any
5067 common expenses that exceed the guaranteed amount. Such
5068 guarantee may be stated in the purchase contract, documents
5069 ~~declaration~~, prospectus, or written agreement between the
5070 developer and a majority of the unit owners other than the

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5071 developer and may provide that, after the initial guarantee
5072 period, the developer may extend the guarantee for one or more
5073 stated periods. If a developer-controlled association has
5074 maintained all insurance coverage required by s. 718.111(11) (a),
5075 common expenses incurred during a guarantee period, as a result
5076 of a natural disaster or an act of God occurring during the same
5077 guarantee period, that ~~which~~ are not covered by the proceeds
5078 from such insurance, may be assessed against all unit owners
5079 owning units on the date of such natural disaster or act of God,
5080 and their successors and assigns, including the developer with
5081 respect to units owned by the developer. Any such assessment
5082 shall be in accordance with s. 718.115(10) or (11) ~~718.115(2) or~~
5083 ~~(4)~~, as applicable.

5084 (b) If the purchase contract, documents ~~declaration~~,
5085 prospectus, or written agreement between the developer and a
5086 majority of unit owners other than the developer provides for
5087 the developer to be excused from payment of assessments under
5088 paragraph (a), only regular periodic assessments for common
5089 expenses as provided for in the documents ~~declaration~~ and
5090 prospectus and disclosed in the estimated operating budget shall
5091 be used for payment of common expenses during any period in
5092 which the developer is excused. Accordingly, no funds that ~~which~~
5093 are receivable from unit purchasers or unit owners and payable
5094 to the association, including capital contributions or startup
5095 funds collected from unit buyers ~~purchasers~~ at closing, may be
5096 used for payment of such common expenses.

5097 (c) If a developer of a multi-common interest community
 5098 ~~multicondominium~~ is excused from payment of assessments under
 5099 paragraph (a), the developer's financial obligation to the
 5100 multi-common interest community ~~multicondominium~~ association
 5101 during any period in which the developer is excused from payment
 5102 of assessments is as follows:

5103 1. The developer shall pay the common expenses of a common
 5104 interest community ~~condominium~~ affected by a guarantee,
 5105 including the funding of reserves as provided in the adopted
 5106 annual budget of that common interest community ~~condominium~~,
 5107 which exceed the regular periodic assessments at the guaranteed
 5108 level against all other unit owners within that common interest
 5109 community ~~condominium~~.

5110 2. The developer shall pay the common expenses of a multi-
 5111 common interest community ~~multicondominium~~ association,
 5112 including the funding of reserves as provided in the adopted
 5113 annual budget of the association, that ~~which~~ are allocated to
 5114 units within a common interest community ~~condominium~~ affected by
 5115 a guarantee and which exceed the regular periodic assessments
 5116 against all other unit owners within that common interest
 5117 community ~~condominium~~.

5118 ~~(11)-(10)~~ The specific purpose or purposes of any special
 5119 assessment, including any contingent special assessment levied
 5120 in conjunction with the purchase of an insurance policy
 5121 authorized by s. 718.111(11), approved in accordance with the
 5122 common interest community ~~condominium~~ documents shall be set

5123 | forth in a written notice of such assessment sent or delivered
 5124 | to each unit owner. The funds collected pursuant to a special
 5125 | assessment shall be used only for the specific purpose or
 5126 | purposes set forth in such notice. However, upon completion of
 5127 | such specific purpose or purposes, any excess funds will be
 5128 | considered common surplus, and may, at the discretion of the
 5129 | board, either be returned to the unit owners or applied as a
 5130 | credit toward future assessments.

5131 | (12)~~(11)~~(a) If the unit is occupied by a tenant and the
 5132 | unit owner is delinquent in paying any monetary obligation due
 5133 | to the association, the association may make a written demand
 5134 | that the tenant pay to the association the subsequent rental
 5135 | payments and continue to make such payments until all monetary
 5136 | obligations of the unit owner related to the unit have been paid
 5137 | in full to the association. The tenant must pay the monetary
 5138 | obligations to the association until the association releases
 5139 | the tenant or the tenant discontinues tenancy in the unit.

5140 | 1. The association must provide the tenant a notice, by
 5141 | hand delivery or United States mail, in substantially the
 5142 | following form:

5143 | Pursuant to section 718.116(12) ~~718.116(11)~~, Florida
 5144 | Statutes, the association demands that you pay your rent
 5145 | directly to the common interest community ~~condominium~~
 5146 | association and continue doing so until the association
 5147 | notifies you otherwise.

5148 | Payment due the common interest community ~~condominium~~

5149 | association may be in the same form as you paid your
5150 | landlord and must be sent by United States mail or hand
5151 | delivery to ...(full address)..., payable to ...(name)....
5152 | Your obligation to pay your rent to the association begins
5153 | immediately, unless you have already paid rent to your
5154 | landlord for the current period before receiving this
5155 | notice. In that case, you must provide the association
5156 | written proof of your payment within 14 days after
5157 | receiving this notice and your obligation to pay rent to
5158 | the association would then begin with the next rental
5159 | period.

5160 | Pursuant to section 718.116(12) ~~718.116(11)~~, Florida
5161 | Statutes, your payment of rent to the association gives you
5162 | complete immunity from any claim for the rent by your
5163 | landlord for all amounts timely paid to the association.

5164 | 2. The association must mail written notice to the unit
5165 | owner of the association's demand that the tenant make payments
5166 | to the association.

5167 | 3. The association shall, upon request, provide the tenant
5168 | with written receipts for payments made.

5169 | 4. A tenant is immune from any claim by the landlord or
5170 | unit owner related to the rent timely paid to the association
5171 | after the association has made written demand.

5172 | (b) If the tenant paid rent to the landlord or unit owner
5173 | for a given rental period before receiving the demand from the
5174 | association and provides written evidence to the association of

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5175 having paid the rent within 14 days after receiving the demand,
5176 the tenant shall begin making rental payments to the association
5177 for the following rental period and shall continue making rental
5178 payments to the association to be credited against the monetary
5179 obligations of the unit owner until the association releases the
5180 tenant or the tenant discontinues tenancy in the unit.

5181 (c) The liability of the tenant may not exceed the amount
5182 due from the tenant to the tenant's landlord. The tenant's
5183 landlord shall provide the tenant a credit against rents due to
5184 the landlord in the amount of moneys paid to the association.

5185 (d) The association may issue notice under s. 83.56 and
5186 sue for eviction under ss. 83.59-83.625 as if the association
5187 were a landlord under part II of chapter 83 if the tenant fails
5188 to pay a required payment to the association after written
5189 demand has been made to the tenant. However, the association is
5190 not otherwise considered a landlord under chapter 83 and
5191 specifically has no obligations under s. 83.51.

5192 (e) The tenant does not, by virtue of payment of monetary
5193 obligations to the association, have any of the rights of a unit
5194 owner to vote in any election or to examine the books and
5195 records of the association.

5196 (f) A court may supersede the effect of this subsection by
5197 appointing a receiver.

5198 Section 57. Section 718.117, Florida Statutes, is amended
5199 to read:

5200 718.117 Termination of common interest community

5201 ~~econdominium.~~—

5202 (1) LEGISLATIVE FINDINGS.—The Legislature finds that
 5203 common interest communities ~~econdominiums~~ are created as
 5204 authorized by statute. In circumstances that may create economic
 5205 waste, areas of disrepair, or obsolescence of a common interest
 5206 community ~~econdominium~~ property for its intended use and thereby
 5207 lower property tax values, the Legislature further finds that it
 5208 is the public policy of this state to provide by statute a
 5209 method to preserve the value of the property interests and the
 5210 rights of alienation thereof that owners have in the common
 5211 interest community ~~econdominium~~ property before and after
 5212 termination. The Legislature further finds that it is contrary
 5213 to the public policy of this state to require the continued
 5214 operation of a common interest community ~~econdominium~~ when to do
 5215 so constitutes economic waste or when the ability to do so is
 5216 made impossible by law or regulation. This section applies to
 5217 all common interest communities ~~econdominiums~~ in this state in
 5218 existence on or after July 1, 2007.

5219 (2) TERMINATION BECAUSE OF ECONOMIC WASTE OR
 5220 IMPOSSIBILITY.—

5221 (a) Notwithstanding any provision in the declaration, the
 5222 common interest community ~~econdominium~~ form of ownership of a
 5223 property may be terminated by a plan of termination approved by
 5224 the lesser of the lowest percentage of voting interests
 5225 necessary to amend the declaration or as otherwise provided in
 5226 the declaration for approval of termination if:

5227 1. The total estimated cost of construction or repairs
 5228 necessary to construct the intended improvements or restore the
 5229 improvements to their former condition or bring them into
 5230 compliance with applicable laws or regulations exceeds the
 5231 combined fair market value of the units in the common interest
 5232 community condominium after completion of the construction or
 5233 repairs; or

5234 2. It becomes impossible to operate or reconstruct a
 5235 common interest community condominium to its prior physical
 5236 configuration because of land use laws or regulations.

5237 (b) Notwithstanding paragraph (a), a common interest
 5238 community condominium in which 75 percent or more of the units
 5239 are timeshare units may be terminated only pursuant to a plan of
 5240 termination approved by 80 percent of the total voting interests
 5241 of the association and the holders of 80 percent of the original
 5242 principal amount of outstanding recorded mortgage liens of
 5243 timeshare estates in the common interest community condominium,
 5244 unless the declaration provides for a lower voting percentage.

5245 (c) Notwithstanding paragraph (a), a common interest
 5246 community condominium that includes units and timeshare estates
 5247 where the improvements have been totally destroyed or demolished
 5248 may be terminated pursuant to a plan of termination proposed by
 5249 a unit owner upon the filing of a petition in court seeking
 5250 equitable relief. Within 10 days after the filing of a petition
 5251 as provided in this paragraph and in lieu of the requirements of
 5252 paragraph (14) (a) ~~(15) (a)~~, the petitioner shall record the

5253 proposed plan of termination and mail a copy of the proposed
5254 plan and a copy of the petition to:

- 5255 1. If the association has not been dissolved as a matter
5256 of law, each member of the board of directors of the association
5257 identified in the most recent annual report filed with the
5258 Department of State and the registered agent of the association;
- 5259 2. The managing entity as defined in s. 721.05(22);
- 5260 3. Each unit owner and each timeshare estate owner at the
5261 address reflected in the official records of the association,
5262 or, if the association records cannot be obtained by the
5263 petitioner, each unit owner and each timeshare estate owner at
5264 the address listed in the office of the tax collector for tax
5265 notices; and
- 5266 4. Each holder of a recorded mortgage lien affecting a
5267 unit or timeshare estate at the address appearing on the
5268 recorded mortgage or any recorded assignment thereof.

5269

5270 The association, if it has not been dissolved as a matter of
5271 law, acting as class representative, or the managing entity as
5272 defined in s. 721.05(22), any unit owner, any timeshare estate
5273 owner, or any holder of a recorded mortgage lien affecting a
5274 unit or timeshare estate may intervene in the proceedings to
5275 contest the proposed plan of termination brought pursuant to
5276 this paragraph. The provisions of subsection (8) ~~(9)~~, to the
5277 extent inconsistent with this paragraph, and subsection (15)
5278 ~~(16)~~ are not applicable to a party contesting a plan of

5279 termination under this paragraph. If no party intervenes to
 5280 contest the proposed plan within 45 days after the filing of the
 5281 petition, the petitioner may move the court to enter a final
 5282 judgment to authorize implementation of the plan of termination.
 5283 If a party timely intervenes to contest the proposed plan, the
 5284 plan may not be implemented until a final judgment has been
 5285 entered by the court finding that the proposed plan of
 5286 termination is fair and reasonable and authorizing
 5287 implementation of the plan.

5288 ~~(3) OPTIONAL TERMINATION. Except as provided in subsection~~
 5289 ~~(2) or unless the declaration provides for a lower percentage,~~
 5290 ~~the condominium form of ownership may be terminated for all or a~~
 5291 ~~portion of the condominium property pursuant to a plan of~~
 5292 ~~termination approved by at least 80 percent of the total voting~~
 5293 ~~interests of the condominium. If 10 percent or more of the total~~
 5294 ~~voting interests of the condominium have rejected the plan of~~
 5295 ~~termination by negative vote or by providing written objections,~~
 5296 ~~the plan of termination may not proceed.~~

5297 (3)~~(4)~~ EXEMPTION.—A plan of termination is not an
 5298 amendment subject to s. 718.110(4). In a partial termination, a
 5299 plan of termination is not an amendment subject to s. 718.110(4)
 5300 if the ownership share of the common elements of a surviving
 5301 unit in the common interest community ~~condominium~~ remains in the
 5302 same proportion to the surviving units as it was before the
 5303 partial termination.

5304 (4)~~(5)~~ MORTGAGE LIENHOLDERS.—Notwithstanding any provision

5305 to the contrary in the declaration or this chapter, approval of
5306 a plan of termination by the holder of a recorded mortgage lien
5307 affecting a common interest community ~~condominium~~ parcel in
5308 which fewer than 75 percent of the units are timeshare units is
5309 not required unless the plan of termination will result in less
5310 than the full satisfaction of the mortgage lien affecting the
5311 common interest community ~~condominium~~ parcel. If such approval
5312 is required and not given, a holder of a recorded mortgage lien
5313 who objects to the plan of termination may contest the plan as
5314 provided in subsection (15) ~~(16)~~. At the time of sale, the lien
5315 shall be transferred to the proportionate share of the proceeds
5316 assigned to the common interest community ~~condominium~~ parcel in
5317 the plan of termination or as subsequently modified by the
5318 court.

5319 (5) ~~(6)~~ POWERS IN CONNECTION WITH TERMINATION.—The approval
5320 of the plan of termination does not terminate the association.
5321 It shall continue in existence following approval of the plan of
5322 termination with all powers and duties it had before approval of
5323 the plan. Notwithstanding any provision to the contrary in the
5324 declaration or bylaws, after approval of the plan the board
5325 shall:

5326 (a) Employ directors, agents, attorneys, and other
5327 professionals to liquidate or conclude its affairs.

5328 (b) Conduct the affairs of the association as necessary
5329 for the liquidation or termination.

5330 (c) Carry out contracts and collect, pay, and settle debts

5331 and claims for and against the association.

5332 (d) Defend suits brought against the association.

5333 (e) Sue in the name of the association for all sums due or
5334 owed to the association or to recover any of its property.

5335 (f) Perform any act necessary to maintain, repair, or
5336 demolish unsafe or uninhabitable improvements or other common
5337 interest community ~~condominium~~ property in compliance with
5338 applicable codes.

5339 (g) Sell at public or private sale or exchange, convey, or
5340 otherwise dispose of assets of the association for an amount
5341 deemed to be in the best interests of the association, and
5342 execute bills of sale and deeds of conveyance in the name of the
5343 association.

5344 (h) Collect and receive rents, profits, accounts
5345 receivable, income, maintenance fees, special assessments, or
5346 insurance proceeds for the association.

5347 (i) Contract and do anything in the name of the
5348 association that ~~which~~ is proper or convenient to terminate the
5349 affairs of the association.

5350 (6) ~~(7)~~ NATURAL DISASTERS.-

5351 (a) If, after a natural disaster, the identity of the
5352 directors or their right to hold office is in doubt, if they are
5353 deceased or unable to act, if they fail or refuse to act, or if
5354 they cannot be located, any interested person may petition the
5355 circuit court to determine the identity of the directors or, if
5356 found to be in the best interests of the unit owners, to appoint

5357 a receiver to conclude the affairs of the association after a
 5358 hearing following notice to such persons as the court directs.
 5359 Lienholders shall be given notice of the petition and have the
 5360 right to propose persons for the consideration by the court as
 5361 receiver. If a receiver is appointed, the court shall direct the
 5362 receiver to provide to all unit owners written notice of his or
 5363 her appointment as receiver. Such notice shall be mailed,
 5364 electronically transmitted, or hand delivered within 10 days
 5365 after the appointment. Notice by mail to a unit owner shall be
 5366 sent to the address used by the county property appraiser for
 5367 notice to the unit owner.

5368 (b) The receiver shall have all powers given to the board
 5369 pursuant to the declaration, bylaws, and subsection (5) ~~(6)~~, and
 5370 any other powers that are necessary to conclude the affairs of
 5371 the association and are set forth in the order of appointment.
 5372 The appointment of the receiver is subject to the bonding
 5373 requirements of such order. The order shall also provide for the
 5374 payment of a reasonable fee to the receiver from the sources
 5375 identified in the order, which may include rents, profits,
 5376 incomes, maintenance fees, or special assessments collected from
 5377 the common interest community ~~condominium~~ property.

5378 (7) ~~(8)~~ REPORTS AND REPLACEMENT OF RECEIVER.—

5379 (a) The association, receiver, or termination trustee
 5380 shall prepare reports each quarter following the approval of the
 5381 plan of termination setting forth the status and progress of the
 5382 termination, costs and fees incurred, the date the termination

5383 is expected to be completed, and the current financial condition
 5384 of the association, receivership, or trusteeship and provide
 5385 copies of the report by regular mail to the unit owners and
 5386 lienors at the mailing address provided to the association by
 5387 the unit owners and the lienors.

5388 (b) The unit owners of an association in termination may
 5389 recall or remove members of the board of administration with or
 5390 without cause at any time as provided in s. 718.112(2)(k)
 5391 ~~718.112(2)(j)~~.

5392 (c) The lienors of an association in termination
 5393 representing at least 50 percent of the outstanding amount of
 5394 liens may petition the court for the appointment of a
 5395 termination trustee, that ~~which~~ shall be granted upon good cause
 5396 shown.

5397 (8) ~~(9)~~ PLAN OF TERMINATION.—The plan of termination must
 5398 be a written document executed in the same manner as a deed by
 5399 unit owners having the requisite percentage of voting interests
 5400 to approve the plan and by the termination trustee. A copy of
 5401 the proposed plan of termination shall be given to all unit
 5402 owners, in the same manner as for notice of an annual meeting,
 5403 at least 14 days prior to the meeting at which the plan of
 5404 termination is to be voted upon or prior to or simultaneously
 5405 with the distribution of the solicitation seeking execution of
 5406 the plan of termination or written consent to or joinder in the
 5407 plan. A unit owner may document assent to the plan by executing
 5408 the plan or by consent to or joinder in the plan in the manner

5409 of a deed. A plan of termination and the consents or joinders of
 5410 unit owners must be recorded in the public records of each
 5411 county in which any portion of the common interest community
 5412 ~~condominium~~ is located. The plan is effective only upon
 5413 recordation or at a later date specified in the plan. If the
 5414 plan of termination fails to receive the required approval, the
 5415 plan shall not be recorded and a new attempt to terminate the
 5416 common interest community ~~condominium~~ may not be proposed at a
 5417 meeting or by solicitation for joinder and consent for 18 months
 5418 after the date that such failed plan of termination was first
 5419 given to all unit owners in the manner as provided in this
 5420 subsection.

5421 (9) ~~(10)~~ PLAN OF TERMINATION; REQUIRED PROVISIONS.—The plan
 5422 of termination must specify:

5423 (a) The name, address, and powers of the termination
 5424 trustee.

5425 (b) A date after which the plan of termination is void if
 5426 it has not been recorded.

5427 (c) The interests of the respective unit owners in the
 5428 association property, common surplus, and other assets of the
 5429 association, which shall be the same as the respective interests
 5430 of the unit owners in the common elements immediately before the
 5431 termination, unless otherwise provided in the declaration.

5432 (d) The interests of the respective unit owners in any
 5433 proceeds from the sale of the common interest community
 5434 ~~condominium~~ property. The plan of termination may apportion

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5435 those proceeds pursuant to any method prescribed in subsection
5436 (11) ~~(12)~~. If, pursuant to the plan of termination, common
5437 interest community ~~condominium~~ property or real property owned
5438 by the association is to be sold following termination, the plan
5439 must provide for the sale and may establish any minimum sale
5440 terms.

5441 (e) Any interests of the respective unit owners in
5442 insurance proceeds or condemnation proceeds that are not used
5443 for repair or reconstruction at the time of termination. Unless
5444 the declaration expressly addresses the distribution of
5445 insurance proceeds or condemnation proceeds, the plan of
5446 termination may apportion those proceeds pursuant to any method
5447 prescribed in subsection (11) ~~(12)~~.

5448 (10) ~~(11)~~ PLAN OF TERMINATION; OPTIONAL PROVISIONS;
5449 CONDITIONAL TERMINATION; WITHDRAWAL; ERRORS.—

5450 (a) Unless the plan of termination expressly authorizes a
5451 unit owner or other person to retain the exclusive right to
5452 possess that portion of the real estate that ~~which~~ formerly
5453 constituted the unit after termination or to use the common
5454 elements of the condominium after termination, all such rights
5455 in the unit and common elements automatically terminate on the
5456 effective date of termination. Unless the plan expressly
5457 provides otherwise, all leases, occupancy agreements, subleases,
5458 licenses, or other agreements for the use or occupancy of any
5459 unit or common elements of the condominium automatically
5460 terminate on the effective date of termination. If the plan

5461 expressly authorizes a unit owner or other person to retain
 5462 exclusive right of possession for that portion of the real
 5463 estate that formerly constituted the unit or to use the common
 5464 elements of the condominium after termination, the plan must
 5465 specify the terms and conditions of possession. In a partial
 5466 termination, the plan of termination as specified in subsection
 5467 (9) ~~(10)~~ must also identify the units that survive the partial
 5468 termination and provide that such units remain in the common
 5469 interest community ~~condominium~~ form of ownership pursuant to an
 5470 amendment to the declaration of common interest community
 5471 ~~condominium~~ or an amended and restated declaration. In a partial
 5472 termination, title to the surviving units and common elements
 5473 that remain part of the common interest community ~~condominium~~
 5474 property specified in the plan of termination remain vested in
 5475 the ownership shown in the public records and do not vest in the
 5476 termination trustee.

5477 (b) In a conditional termination, the plan must specify
 5478 the conditions for termination. A conditional plan does not vest
 5479 title in the termination trustee until the plan and a
 5480 certificate executed by the association with the formalities of
 5481 a deed, confirming that the conditions in the conditional plan
 5482 have been satisfied or waived by the requisite percentage of the
 5483 voting interests, have been recorded. In a partial termination,
 5484 the plan does not vest title to the surviving units or common
 5485 elements that remain part of the common interest community
 5486 ~~condominium~~ property in the termination trustee.

5487 (11)~~(12)~~ ALLOCATION OF PROCEEDS OF SALE OF COMMON INTEREST
 5488 COMMUNITY CONDOMINIUM PROPERTY.—

5489 (a) Unless the declaration expressly provides for the
 5490 allocation of the proceeds of sale of common interest community
 5491 ~~condominium~~ property, the plan of termination may require
 5492 separate valuations for the common elements. However, in the
 5493 absence of such provision, it is presumed that the common
 5494 elements have no independent value but rather that their value
 5495 is incorporated into the valuation of the units. In a partial
 5496 termination, the aggregate values of the units and common
 5497 elements that are being terminated must be separately
 5498 determined, and the plan of termination must specify the
 5499 allocation of the proceeds of sale for the units and common
 5500 elements being terminated.

5501 (b) The portion of proceeds allocated to the units shall
 5502 be apportioned among the individual units. The apportionment is
 5503 deemed fair and reasonable if it is determined by any of the
 5504 following methods:

5505 1. The respective values of the units based on the fair
 5506 market values of the units immediately before the termination,
 5507 as determined by one or more independent appraisers selected by
 5508 the association or termination trustee;

5509 2. The respective values of the units based on the most
 5510 recent market value of the units before the termination, as
 5511 provided in the county property appraiser's records; or

5512 3. The respective interests of the units in the common

5513 elements specified in the declaration immediately before the
 5514 termination.

5515 (c) The methods of apportionment in paragraph (b) do not
 5516 prohibit any other method of apportioning the proceeds of sale
 5517 allocated to the units or any other method of valuing the units
 5518 agreed upon in the plan of termination. Any portion of the
 5519 proceeds separately allocated to the common elements shall be
 5520 apportioned among the units based upon their respective
 5521 interests in the common elements as provided in the declaration.

5522 (d) Liens that encumber a unit shall, unless otherwise
 5523 provided in the plan of termination, be transferred to the
 5524 proceeds of sale of the common interest community ~~condominium~~
 5525 property and the proceeds of sale or other distribution of
 5526 association property, common surplus, or other association
 5527 assets attributable to such unit in their same priority. In a
 5528 partial termination, liens that encumber a unit being terminated
 5529 must be transferred to the proceeds of sale of that portion of
 5530 the common interest community ~~condominium~~ property being
 5531 terminated that ~~which~~ are attributable to such unit. The
 5532 proceeds of any sale of common interest community ~~condominium~~
 5533 property pursuant to a plan of termination may not be deemed to
 5534 be common surplus or association property. The holder of a lien
 5535 that encumbers a unit at the time of recording a plan must,
 5536 within 30 days after the written request from the termination
 5537 trustee, deliver a statement to the termination trustee
 5538 confirming the outstanding amount of any obligations of the unit

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5539 owner secured by the lien.

5540 (12)~~(13)~~ TERMINATION TRUSTEE.—The association shall serve
5541 as termination trustee unless another person is appointed in the
5542 plan of termination. If the association is unable, unwilling, or
5543 fails to act as trustee, any unit owner may petition the court
5544 to appoint a trustee. Upon the date of the recording or at a
5545 later date specified in the plan, title to the common interest
5546 community condominium property vests in the trustee. Unless
5547 prohibited by the plan, the termination trustee shall be vested
5548 with the powers given to the board pursuant to the declaration,
5549 bylaws, and subsection (5) ~~(6)~~. If the association is not the
5550 termination trustee, the trustee's powers shall be coextensive
5551 with those of the association to the extent not prohibited in
5552 the plan of termination or the order of appointment. If the
5553 association is not the termination trustee, the association
5554 shall transfer any association property to the trustee. If the
5555 association is dissolved, the trustee shall also have such other
5556 powers necessary to conclude the affairs of the association.

5557 (13)~~(14)~~ TITLE VESTED IN TERMINATION TRUSTEE.—If
5558 termination is pursuant to a plan of termination ~~under~~
5559 ~~subsection (2) or subsection (3)~~, title to the common interest
5560 community condominium property being terminated vests in the
5561 termination trustee when the plan is recorded or at a later date
5562 specified in the plan. The unit owners thereafter become the
5563 beneficiaries of the proceeds realized from the plan of
5564 termination as set forth in the plan. The termination trustee

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5565 may deal with the common interest community ~~condominium~~ property
5566 being terminated or any interest therein if the plan confers on
5567 the trustee the authority to protect, conserve, manage, sell, or
5568 dispose of the common interest community ~~condominium~~ property.
5569 The trustee, on behalf of the unit owners, may contract for the
5570 sale of real property being terminated, but the contract is not
5571 binding on the unit owners until the plan is approved ~~pursuant~~
5572 ~~to subsection (2) or subsection (3)~~.

5573 (14) ~~(15)~~ NOTICE.—

5574 (a) Within 30 days after a plan of termination has been
5575 recorded, the termination trustee shall deliver by certified
5576 mail, return receipt requested, notice to all unit owners,
5577 lienors of the common interest community ~~condominium~~ property,
5578 and lienors of all units at their last known addresses that a
5579 plan of termination has been recorded. The notice must include
5580 the book and page number of the public records in which the plan
5581 was recorded, notice that a copy of the plan shall be furnished
5582 upon written request, and notice that the unit owner or lienor
5583 has the right to contest the fairness of the plan.

5584 (b) The trustee, within 90 days after the effective date
5585 of the plan, shall provide to the division a certified copy of
5586 the recorded plan, the date the plan was recorded, and the
5587 county, book, and page number of the public records in which the
5588 plan is recorded.

5589 (15) ~~(16)~~ RIGHT TO CONTEST.—A unit owner or lienor may
5590 contest a plan of termination by initiating a petition for

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5591 mandatory nonbinding arbitration pursuant to s. 718.1255 within
5592 90 days after the date the plan is recorded. A unit owner or
5593 lienor may only contest the fairness and reasonableness of the
5594 apportionment of the proceeds from the sale among the unit
5595 owners, that the liens of the first mortgages of unit owners
5596 other than the bulk owner have not or will not be satisfied to
5597 the extent required by subsection (3), or that the required vote
5598 to approve the plan was not obtained. A unit owner or lienor who
5599 does not contest the plan within the 90-day period is barred
5600 from asserting or prosecuting a claim against the association,
5601 the termination trustee, any unit owner, or any successor in
5602 interest to the common interest community ~~condominium~~ property.
5603 In an action contesting a plan of termination, the person
5604 contesting the plan has the burden of pleading and proving that
5605 the apportionment of the proceeds from the sale among the unit
5606 owners was not fair and reasonable or that the required vote was
5607 not obtained. The apportionment of sale proceeds is presumed
5608 fair and reasonable if it was determined pursuant to the methods
5609 prescribed in subsection (11) ~~(12)~~. The arbitrator shall
5610 determine the rights and interests of the parties in the
5611 apportionment of the sale proceeds. If the arbitrator determines
5612 that the apportionment of sales proceeds is not fair and
5613 reasonable, the arbitrator may void the plan or may modify the
5614 plan to apportion the proceeds in a fair and reasonable manner
5615 pursuant to this section based upon the proceedings and order
5616 the modified plan of termination to be implemented. If the

5617 arbitrator determines that the plan was not properly approved,
 5618 or that the procedures to adopt the plan were not properly
 5619 followed, the arbitrator may void the plan or grant other relief
 5620 it deems just and proper. The arbitrator shall automatically
 5621 void the plan upon a finding that any of the disclosures
 5622 required in subparagraph (3)(c)5. are omitted, misleading,
 5623 incomplete, or inaccurate. Any challenge to a plan, other than a
 5624 challenge that the required vote was not obtained, does not
 5625 affect title to the condominium property or the vesting of the
 5626 condominium property in the trustee, but shall only be a claim
 5627 against the proceeds of the plan. In any such action, the
 5628 prevailing party shall recover reasonable attorney fees and
 5629 costs.

5630 (16)~~(17)~~ DISTRIBUTION.—

5631 (a) Following termination of the common interest community
 5632 ~~condominium~~, the common interest community ~~condominium~~ property,
 5633 association property, common surplus, and other assets of the
 5634 association shall be held by the termination trustee pursuant to
 5635 the plan of termination, as trustee for unit owners and holders
 5636 of liens on the units, in their order of priority unless
 5637 otherwise set forth in the plan of termination.

5638 (b) Not less than 30 days before the first distribution,
 5639 the termination trustee shall deliver by certified mail, return
 5640 receipt requested, a notice of the estimated distribution to all
 5641 unit owners, lienors of the common interest community
 5642 ~~condominium~~ property, and lienors of each unit at their last

5643 known addresses stating a good faith estimate of the amount of
 5644 the distributions to each class and the procedures and deadline
 5645 for notifying the termination trustee of any objections to the
 5646 amount. The deadline must be at least 15 days after the date the
 5647 notice was mailed. The notice may be sent with or after the
 5648 notice required by subsection (14) ~~(15)~~. If a unit owner or
 5649 lienor files a timely objection with the termination trustee,
 5650 the trustee need not distribute the funds and property allocated
 5651 to the respective unit owner or lienor until the trustee has had
 5652 a reasonable time to determine the validity of the adverse
 5653 claim. In the alternative, the trustee may interplead the unit
 5654 owner, lienor, and any other person claiming an interest in the
 5655 unit and deposit the funds allocated to the unit in the court
 5656 registry, at which time the common interest community
 5657 ~~condominium~~ property, association property, common surplus, and
 5658 other assets of the association are free of all claims and liens
 5659 of the parties to the suit. In an interpleader action, the
 5660 trustee and prevailing party may recover reasonable attorney
 5661 ~~attorney's~~ fees and costs.

5662 (c) The proceeds from any sale of common interest
 5663 community ~~condominium~~ property or association property and any
 5664 remaining common interest community ~~condominium~~ property or
 5665 association property, common surplus, and other assets shall be
 5666 distributed in the following priority:

- 5667 1. To pay the reasonable termination trustee's fees and
 5668 costs and accounting fees and costs.

5669 2. To lienholders of liens recorded prior to the recording
5670 of the declaration.

5671 3. To purchase-money lienholders on units to the extent
5672 necessary to satisfy their liens; however, the distribution may
5673 not exceed a unit owner's share of the proceeds.

5674 4. To lienholders of liens of the association that ~~which~~
5675 have been consented to under s. 718.121(1).

5676 5. To creditors of the association, as their interests
5677 appear.

5678 6. To unit owners, the proceeds of any sale of common
5679 interest community ~~condominium~~ property subject to satisfaction
5680 of liens on each unit in their order of priority, in shares
5681 specified in the plan of termination, unless objected to by a
5682 unit owner or lienor as provided in paragraph (b).

5683 7. To unit owners, the remaining common interest community
5684 ~~condominium~~ property, subject to satisfaction of liens on each
5685 unit in their order of priority, in shares specified in the plan
5686 of termination, unless objected to by a unit owner or a lienor
5687 as provided in paragraph (b).

5688 8. To unit owners, the proceeds of any sale of association
5689 property, the remaining association property, common surplus,
5690 and other assets of the association, subject to satisfaction of
5691 liens on each unit in their order of priority, in shares
5692 specified in the plan of termination, unless objected to by a
5693 unit owner or a lienor as provided in paragraph (b).

5694 (d) After determining that all known debts and liabilities

5695 of an association in the process of termination have been paid
 5696 or adequately provided for, the termination trustee shall
 5697 distribute the remaining assets pursuant to the plan of
 5698 termination. If the termination is by court proceeding or
 5699 subject to court supervision, the distribution may not be made
 5700 until any period for the presentation of claims ordered by the
 5701 court has elapsed.

5702 (e) Assets held by an association upon a valid condition
 5703 requiring return, transfer, or conveyance, which condition has
 5704 occurred or will occur, shall be returned, transferred, or
 5705 conveyed in accordance with the condition. The remaining
 5706 association assets shall be distributed pursuant to paragraph
 5707 (c).

5708 (f) Distribution may be made in money, property, or
 5709 securities and in installments or as a lump sum, if it can be
 5710 done fairly and ratably and in conformity with the plan of
 5711 termination. Distribution shall be made as soon as is reasonably
 5712 consistent with the beneficial liquidation of the assets.

5713 (17)~~(18)~~ ASSOCIATION STATUS.—The termination of a common
 5714 interest community condominium does not change the corporate
 5715 status of the association that operated the common interest
 5716 community condominium property. The association continues to
 5717 exist to conclude its affairs, prosecute and defend actions by
 5718 or against it, collect and discharge obligations, dispose of and
 5719 convey its property, and collect and divide its assets, but not
 5720 to act except as necessary to conclude its affairs. In a partial

5721 termination, the association may continue as the common interest
 5722 community condominium association for the property that remains
 5723 subject to the declaration of common interest community
 5724 condominium.

5725 ~~(18)-(19)~~ CREATION OF ANOTHER COMMON INTEREST COMMUNITY
 5726 CONDOMINIUM.—The termination or partial termination of a common
 5727 interest community condominium does not bar the filing of a new
 5728 declaration of common interest community condominium by the
 5729 termination trustee, or the trustee's successor in interest, for
 5730 the terminated property or any portion thereof. The partial
 5731 termination of a common interest community condominium may
 5732 provide for the simultaneous filing of an amendment to the
 5733 declaration of common interest community condominium or an
 5734 amended and restated declaration of common interest community
 5735 condominium by the common interest community condominium
 5736 association for any portion of the property not terminated from
 5737 the common interest community condominium form of ownership.

5738 ~~(19)-(20)~~ EXCLUSION.—This section does not apply to the
 5739 termination of a common interest community condominium incident
 5740 to a merger of that common interest community condominium with
 5741 one or more other common interest communities condominiums under
 5742 s. 718.110(7).

5743 Section 58. Section 718.118, Florida Statutes, is amended
 5744 to read:

5745 718.118 Equitable relief.—In the event of substantial
 5746 damage to or destruction of all or a substantial part of the

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5747 common interest community ~~condominium~~ property, and if the
 5748 property is not repaired, reconstructed, or rebuilt within a
 5749 reasonable period of time, any unit owner may petition a court
 5750 for equitable relief, that ~~which~~ may include a termination of
 5751 the common interest community ~~condominium~~ and a partition.

5752 Section 59. Section 718.119, Florida Statutes, is amended
 5753 to read:

5754 718.119 Limitation of liability.—

5755 (1) The liability of the owner of a unit for common
 5756 expenses is limited to the amounts ~~for which he or she is~~
 5757 assessed for common expenses from time to time in accordance
 5758 with this chapter, the declaration, and bylaws.

5759 (2) The owner of a unit may be personally liable for the
 5760 acts or omissions of the association in relation to the use of
 5761 the common elements, but only to the extent of his or her pro
 5762 rata share of that liability in the same percentage as his or
 5763 her interest in the common elements, and then in no case shall
 5764 that liability exceed the value of his or her unit.

5765 (3) In any legal action in which the association may be
 5766 exposed to liability in excess of insurance coverage protecting
 5767 it and the unit owners, the association shall give notice of the
 5768 exposure within a reasonable time to all unit owners, and they
 5769 shall have the right to intervene and defend.

5770 Section 60. Section 718.120, Florida Statutes, is amended
 5771 to read:

5772 718.120 Separate taxation of common interest community

5773 ~~condominium~~ parcels; survival of declaration after tax sale,
 5774 ~~assessment of timeshare estates.~~

5775 (1) Ad valorem taxes, benefit taxes, and special
 5776 assessments by taxing authorities shall be assessed against the
 5777 common interest community ~~condominium~~ parcels and not upon the
 5778 common interest community ~~condominium~~ property as a whole. No ad
 5779 valorem tax, benefit tax, or special assessment, including those
 5780 made by special districts, drainage districts, or water
 5781 management districts, may be separately assessed against
 5782 recreational facilities or other common elements if such
 5783 facilities or common elements are owned by the common interest
 5784 community ~~condominium~~ association or are owned jointly by the
 5785 owners of the common interest community ~~condominium~~ parcels.
 5786 Each common interest community ~~condominium~~ parcel shall be
 5787 separately assessed for ad valorem taxes and special assessments
 5788 as a single parcel. The taxes and special assessments levied
 5789 against each common interest community ~~condominium~~ parcel shall
 5790 constitute a lien only upon the common interest community
 5791 ~~condominium~~ parcel assessed and upon no other portion of the
 5792 common interest community ~~condominium~~ property.

5793 (2) All provisions of the documents ~~a declaration~~ relating
 5794 to a common interest community ~~condominium~~ parcel that ~~which~~ has
 5795 been sold for taxes or special assessments survive and are
 5796 enforceable after the issuance of a tax deed or master's deed,
 5797 upon foreclosure of an assessment, a certificate or lien, a tax
 5798 deed, tax certificate, or tax lien, to the same extent that they

5799 would be enforceable against a voluntary grantee of the title
 5800 immediately prior to the delivery of the tax deed, master's
 5801 deed, or clerk's certificate of title as provided in s. 197.573.

5802 (3) The association shall provide information to the
 5803 county property appraiser annually upon request as to the rental
 5804 status of each common interest community unit to verify
 5805 homestead exemptions.

5806 (4) Any common interest community unit not constructed
 5807 within 7 years after recordation of the documents shall, upon
 5808 application and certification to the property appraiser by the
 5809 association, be removed from the tax rolls.

5810 (5) Any common interest community subject to a submerged
 5811 land lease with the Department of Environmental Protection is
 5812 not subject to any lease fee or tax on the lease.

5813 ~~(3) Condominium property divided into fee timeshare real~~
 5814 ~~property shall be assessed for purposes of ad valorem taxes and~~
 5815 ~~special assessments as provided in s. 192.037.~~

5816 Section 61. Section 718.121, Florida Statutes, is amended
 5817 to read:

5818 718.121 Liens.—

5819 (1) Subsequent to recording the declaration and while the
 5820 property remains subject to the declaration, no liens of any
 5821 nature are valid against the common interest community
 5822 ~~condominium~~ property as a whole except with the unanimous
 5823 consent of the unit owners. During this period, liens may arise
 5824 or be created only against individual common interest community

5825 ~~econdominium~~ parcels.

5826 (2) Labor performed on or materials furnished to a unit
 5827 shall not be the basis for the filing of a lien pursuant to part
 5828 I of chapter 713, the Construction Lien Law, against the unit or
 5829 common interest community ~~econdominium~~ parcel of any unit owner
 5830 not expressly consenting to or requesting the labor or
 5831 materials. Labor performed on or materials furnished to the
 5832 common elements are not the basis for a lien on the common
 5833 elements, but if authorized by the association, the labor or
 5834 materials are deemed to be performed or furnished with the
 5835 express consent of each unit owner and may be the basis for the
 5836 filing of a lien against all common interest community
 5837 ~~econdominium~~ parcels in the proportions for which the owners are
 5838 liable for common expenses only if a money judgment has been
 5839 obtained in a court of competent jurisdiction.

5840 (3) If a lien against two or more common interest
 5841 community ~~econdominium~~ parcels becomes effective, each owner may
 5842 relieve his or her common interest community ~~econdominium~~ parcel
 5843 of the lien by exercising any of the rights of a property owner
 5844 under chapter 713, or by payment of the proportionate amount
 5845 attributable to his or her common interest community ~~econdominium~~
 5846 parcel. Upon the payment, the lienholder ~~liener~~ shall release
 5847 the lien of record for that common interest community
 5848 ~~econdominium~~ parcel.

5849 (4) Except as otherwise provided in this chapter, no lien
 5850 may be filed by the association against a common interest

5851 community ~~condominium~~ unit until 30 days after the date on which
 5852 a notice of intent to file a lien has been delivered to the
 5853 owner by ~~registered or~~ certified mail, return receipt requested,
 5854 and by first-class United States mail to the owner at his or her
 5855 last known address as reflected in the records of the
 5856 association. However, if the address ~~is within the United~~
 5857 ~~States, and delivered to the owner at the address of the unit if~~
 5858 ~~the owner's address as reflected in the records of the~~
 5859 ~~association is not the unit address. If the address reflected in~~
 5860 ~~the records is outside the United States, sending the notice~~
 5861 must be sent to that address and to the unit address by first-
 5862 class United States mail to the unit and by first-class mail
 5863 international to the unit owner's last known address to be is
 5864 sufficient. Delivery of the notice shall be deemed given upon
 5865 mailing as required by this subsection. Notice is provided if
 5866 served on the unit owner in the manner authorized by chapter 48
 5867 and the Florida Rules of Civil Procedure. The notice must be in
 5868 substantially the following form:

5869 NOTICE OF INTENT

5870 TO RECORD A CLAIM OF LIEN

5871 RE: Unit of ... (name of association)...

5872 ~~The following amounts are currently due on your account to~~
 5873 ~~...(name of association)..., and must be paid within 30 days~~
 5874 ~~after your receipt of this letter. This letter shall serve as~~
 5875 ~~the association's notice of intent to record a Claim of Lien~~
 5876 ~~against your property no sooner than 30 days after your receipt~~

5877 ~~of this letter, unless you pay in full the amounts set forth~~
 5878 ~~below:~~

5879	Maintenance due ... (dates)...	\$.....
5880	Late fee, if applicable	\$.....
5881	Interest through ... (dates)... *	\$.....
5882	Certified mail charges	\$.....
5883	Other costs	\$.....
5884	TOTAL OUTSTANDING	\$.....

5885 ~~*Interest accrues at the rate of percent per annum.~~

5886 Section 62. Section 718.122, Florida Statutes, is amended
 5887 to read:

5888 718.122 Unconscionability of certain leases; rebuttable
 5889 presumption.—

5890 (1) A lease pertaining to use by common interest community
 5891 ~~condominium~~ unit owners of recreational or other common
 5892 facilities, irrespective of the date on which such lease was
 5893 entered into, is presumptively unconscionable if all of the
 5894 following elements exist:

5895 (a) The lease was executed by persons none of whom at the
 5896 time of the execution of the lease were elected by common
 5897 interest community ~~condominium~~ unit owners, other than the
 5898 developer, to represent their interests;

5899 (b) The lease requires either the common interest
 5900 community ~~condominium~~ association or the common interest
 5901 community ~~condominium~~ unit owners to pay real estate taxes on
 5902 the subject real property;

5903 (c) The lease requires either the common interest
 5904 community condominium association or the common interest
 5905 community condominium unit owners to insure buildings or other
 5906 facilities on the subject real property against fire or any
 5907 other hazard;

5908 (d) The lease requires either the common interest
 5909 community condominium association or the common interest
 5910 community condominium unit owners to perform some or all
 5911 maintenance obligations pertaining to the subject real property
 5912 or facilities located upon the subject real property;

5913 (e) The lease requires either the common interest
 5914 community condominium association or the common interest
 5915 community condominium unit owners to pay rents to the lessor for
 5916 a period of 21 years or more;

5917 (f) The lease provides that failure of the lessee to make
 5918 payments of rents due under the lease either creates,
 5919 establishes, or permits establishment of a lien upon individual
 5920 common interest community condominium units of the common
 5921 interest community condominium to secure claims for rent;

5922 (g) The lease requires an annual rental that ~~which~~ exceeds
 5923 25 percent of the appraised value of the leased property as
 5924 improved, provided that, for purposes of this paragraph, "annual
 5925 rental" means the amount due during the first 12 months of the
 5926 lease for all units, regardless of whether such units were in
 5927 fact occupied or sold during that period, and "appraised value"
 5928 means the appraised value placed upon the leased property the

5929 first tax year after the sale of a unit in the common interest
 5930 community condominium;

5931 (h) The lease provides for a periodic rental increase; and

5932 (i) The lease or other common interest community
 5933 ~~condominium~~ documents require that every transferee of a common
 5934 interest community condominium unit must assume obligations
 5935 under the lease.

5936 (2) The Legislature expressly finds that many leases
 5937 involving use of recreational or other common facilities by
 5938 residents of common interest communities ~~condominiums~~ were
 5939 entered into by parties wholly representative of the interests
 5940 of a common interest community condominium developer at a time
 5941 when the common interest community condominium unit owners not
 5942 only did not control the administration of their common interest
 5943 community condominium, but also had little or no voice in such
 5944 administration. Such leases often contain numerous obligations
 5945 on the part of either or both a common interest community
 5946 ~~condominium~~ association and common interest community
 5947 ~~condominium~~ unit owners with relatively few obligations on the
 5948 part of the lessor. Such leases may or may not be unconscionable
 5949 in any given case. Nevertheless, the Legislature finds that a
 5950 combination of certain onerous obligations and circumstances
 5951 warrants the establishment of a rebuttable presumption of
 5952 unconscionability of certain leases, as specified in subsection
 5953 (1). The presumption may be rebutted by a lessor upon the
 5954 showing of additional facts and circumstances to justify and

5955 validate what may otherwise appear ~~appears~~ to be an
 5956 unconscionable lease under this section. Failure of a lease to
 5957 contain all the enumerated elements shall neither preclude a
 5958 determination of unconscionability of the lease nor raise a
 5959 presumption as to its conscionability. It is the intent of the
 5960 Legislature that this section is remedial and does not create
 5961 any new cause of action to invalidate any common interest
 5962 community ~~condominium~~ lease, but shall operate as a statutory
 5963 prescription on procedural matters in actions brought on one or
 5964 more causes of action existing at the time of the execution of
 5965 such lease.

5966 (3) Any provision of the Florida Statutes to the contrary
 5967 notwithstanding, neither the statute of limitations nor laches
 5968 shall prohibit unit owners from maintaining a cause of action
 5969 under the provisions of this section.

5970 Section 63. Section 718.1224, Florida Statutes, is amended
 5971 to read:

5972 718.1224 Prohibition against SLAPP suits.—

5973 (1) It is the intent of the Legislature to protect the
 5974 right of common interest community ~~condominium~~ unit owners to
 5975 exercise their rights to instruct their representatives and
 5976 petition for redress of grievances before the various
 5977 governmental entities of this state as protected by the First
 5978 Amendment to the United States Constitution and s. 5, Art. I of
 5979 the State Constitution. The Legislature recognizes that
 5980 strategic lawsuits against public participation, or "SLAPP

5981 suits," as they are typically referred to, have occurred when
 5982 association members are sued by individuals, business entities,
 5983 or governmental entities arising out of a common interest
 5984 community condominium unit owner's appearance and presentation
 5985 before a governmental entity on matters related to the common
 5986 interest community condominium association. However, it is the
 5987 public policy of this state that governmental entities, business
 5988 organizations, and individuals not engage in SLAPP suits,
 5989 because such actions are inconsistent with the right of common
 5990 interest community condominium unit owners to participate in the
 5991 state's institutions of government. Therefore, the Legislature
 5992 finds and declares that prohibiting such lawsuits by
 5993 governmental entities, business entities, and individuals
 5994 against common interest community condominium unit owners who
 5995 address matters concerning their common interest community
 5996 condominium association will preserve this fundamental state
 5997 policy, preserve the constitutional rights of common interest
 5998 community condominium unit owners, and ensure the continuation
 5999 of representative government in this state. It is the intent of
 6000 the Legislature that such lawsuits be expeditiously disposed of
 6001 by the courts. As used in this subsection, the term
 6002 "governmental entity" means the state, including the executive,
 6003 legislative, and judicial branches of government; the
 6004 independent establishments of the state, counties,
 6005 municipalities, districts, authorities, boards, or commissions;
 6006 or any agencies of these branches that are subject to chapter

6007 286.

6008 (2) A governmental entity, business organization, or
6009 individual in this state may not file or cause to be filed
6010 through its employees or agents any lawsuit, cause of action,
6011 claim, cross-claim, or counterclaim against a common interest
6012 community ~~condominium~~ unit owner without merit and solely
6013 because such common interest community ~~condominium~~ unit owner
6014 has exercised the right to instruct his or her representatives
6015 or the right to petition for redress of grievances before the
6016 various governmental entities of this state, as protected by the
6017 First Amendment to the United States Constitution and s. 5, Art.
6018 I of the State Constitution.

6019 (3) A common interest community ~~condominium~~ unit owner
6020 sued by a governmental entity, business organization, or
6021 individual in violation of this section has a right to an
6022 expeditious resolution of a claim that the suit is in violation
6023 of this section. A common interest community ~~condominium~~ unit
6024 owner may petition the court for an order dismissing the action
6025 or granting final judgment in favor of that common interest
6026 community ~~condominium~~ unit owner. The petitioner may file a
6027 motion for summary judgment, together with supplemental
6028 affidavits, seeking a determination that the governmental
6029 entity's, business organization's, or individual's lawsuit has
6030 been brought in violation of this section. The governmental
6031 entity, business organization, or individual shall thereafter
6032 file its response and any supplemental affidavits. As soon as

6033 practicable, the court shall set a hearing on the petitioner's
 6034 motion, which shall be held at the earliest possible time after
 6035 the filing of the governmental entity's, business
 6036 organization's, or individual's response. The court may award
 6037 the common interest community ~~condominium~~ unit owner sued by the
 6038 governmental entity, business organization, or individual actual
 6039 damages arising from the governmental entity's, individual's, or
 6040 business organization's violation of this section. A court may
 6041 treble the damages awarded to a prevailing common interest
 6042 community ~~condominium~~ unit owner and shall state the basis for
 6043 the treble damages award in its judgment. The court shall award
 6044 the prevailing party reasonable attorney ~~attorney's~~ fees and
 6045 costs incurred in connection with a claim that an action was
 6046 filed in violation of this section.

6047 (4) Common interest community ~~Condominium~~ associations may
 6048 not expend association funds in prosecuting a SLAPP suit against
 6049 a common interest community ~~condominium~~ unit owner.

6050 Section 64. Section 718.123, Florida Statutes, is amended
 6051 to read:

6052 718.123 Right of owners to peaceably assemble.—

6053 (1) All common elements, common areas, and recreational
 6054 facilities serving any common interest community ~~condominium~~
 6055 shall be available to unit owners in the common interest
 6056 community ~~condominium~~ or common interest communities
 6057 ~~condominiums~~ served thereby and their invited guests for the use
 6058 intended for such common elements, common areas, and

6059 recreational facilities, subject to the provisions of s.
 6060 718.106(5) ~~718.106(4)~~. The entity or entities responsible for
 6061 the operation of the common elements, common areas, and
 6062 recreational facilities may adopt reasonable rules and
 6063 regulations pertaining to the use of such common elements,
 6064 common areas, and recreational facilities. No entity or entities
 6065 shall unreasonably restrict any unit owner's right to peaceably
 6066 assemble or right to invite public officers or candidates for
 6067 public office to appear and speak in common elements, common
 6068 areas, and recreational facilities.

6069 (2) Any owner prevented from exercising rights guaranteed
 6070 by subsection (1) may bring an action in the appropriate court
 6071 of the county in which the alleged infringement occurred, and,
 6072 upon favorable adjudication, the court shall enjoin the
 6073 enforcement of any provision contained in any common interest
 6074 community condominium document or rule that ~~which~~ operates to
 6075 deprive the owner of such rights.

6076 Section 65. Section 718.1232, Florida Statutes, is amended
 6077 to read:

6078 718.1232 Cable television service; resident's right to
 6079 access without extra charge.—No resident of any common interest
 6080 community condominium dwelling unit, whether tenant or owner,
 6081 shall be denied access to any available franchised or licensed
 6082 cable television service, nor shall such resident or cable
 6083 television service be required to pay anything of value in order
 6084 to obtain or provide such service except those charges normally

6085 | paid for like services by residents of, or providers of such
 6086 | services to, single-family homes within the same franchised or
 6087 | licensed area and except for installation charges as such
 6088 | charges may be agreed to between such resident and the provider
 6089 | of such services.

6090 | Section 66. Section 718.124, Florida Statutes, is amended
 6091 | to read:

6092 | 718.124 Limitation on actions by association.—The statute
 6093 | of limitations for any actions in law or equity that a common
 6094 | interest community ~~which a condominium~~ association ~~or a~~
 6095 | ~~cooperative~~ association may have shall not begin to run until
 6096 | the unit owners have elected a majority of the members of the
 6097 | board of administration.

6098 | Section 67. Section 718.125, Florida Statutes, is amended
 6099 | to read:

6100 | 718.125 Attorney ~~Attorney's~~ fees.—If a contract or lease
 6101 | between a common interest community ~~condominium~~ unit owner or
 6102 | association and a developer contains a provision allowing
 6103 | attorney ~~attorney's~~ fees to the developer, should any litigation
 6104 | arise under the provisions of the contract or lease, the court
 6105 | shall also allow reasonable attorney ~~attorney's~~ fees to the unit
 6106 | owner or association when the unit owner or association prevails
 6107 | in any action by or against the unit owner or association with
 6108 | respect to the contract or lease.

6109 | Section 68. Section 718.1255, Florida Statutes, is amended
 6110 | to read:

6111 718.1255 Alternative dispute resolution; voluntary
 6112 mediation; mandatory nonbinding arbitration; legislative
 6113 findings.—
 6114 (1) DEFINITIONS.—As used in this section, the term
 6115 "dispute" means any disagreement between two or more parties
 6116 that involves:
 6117 (a) The authority of the board of directors, under this
 6118 chapter or association document to:
 6119 1. Require any owner to take any action, or not to take
 6120 any action, involving that owner's unit or the appurtenances
 6121 thereto.
 6122 2. Alter or add to a common area or element.
 6123 (b) The failure of a governing body, when required by this
 6124 chapter or an association document, to:
 6125 1. Properly conduct elections.
 6126 2. Give adequate notice of meetings or other actions.
 6127 3. Properly conduct meetings.
 6128 4. Allow inspection of books and records.
 6129
 6130 "Dispute" does not include any disagreement that primarily
 6131 involves: title to any unit or common element; the
 6132 interpretation or enforcement of any warranty; the levy of a fee
 6133 or assessment, or the collection of an assessment levied against
 6134 a party; the eviction or other removal of a tenant from a unit;
 6135 alleged breaches of fiduciary duty by one or more directors; or
 6136 claims for damages to a unit based upon the alleged failure of

6137 the association to maintain the common elements or common
 6138 interest community ~~condominium~~ property.

6139 (2) VOLUNTARY MEDIATION.—Voluntary mediation through
 6140 Citizen Dispute Settlement Centers as provided for in s. 44.201
 6141 is encouraged.

6142 (3) LEGISLATIVE FINDINGS.—

6143 (a) The Legislature finds that unit owners are frequently
 6144 at a disadvantage when litigating against an association.
 6145 Specifically, a common interest community ~~condominium~~
 6146 association, with its statutory assessment authority, is often
 6147 more able to bear the costs and expenses of litigation than the
 6148 unit owner who must rely on his or her own financial resources
 6149 to satisfy the costs of litigation against the association.

6150 (b) The Legislature finds that alternative dispute
 6151 resolution has been making progress in reducing court dockets
 6152 and trials and in offering a more efficient, cost-effective
 6153 option to court litigation. However, the Legislature also finds
 6154 that alternative dispute resolution should not be used as a
 6155 mechanism to encourage the filing of frivolous or nuisance
 6156 suits.

6157 (c) There exists a need to develop a flexible means of
 6158 alternative dispute resolution that directs disputes to the most
 6159 efficient means of resolution.

6160 (d) The high cost and significant delay of circuit court
 6161 litigation faced by unit owners in the state can be alleviated
 6162 by requiring nonbinding arbitration and mediation in appropriate

6163 cases, thereby reducing delay and attorney ~~attorney's~~ fees while
 6164 preserving the right of either party to have its case heard by a
 6165 jury, if applicable, in a court of law.

6166 (4) MANDATORY NONBINDING ARBITRATION AND MEDIATION OF
 6167 DISPUTES.—The Division of Common Interest Communities ~~Florida~~
 6168 ~~Condominiums, Timeshares, and Mobile Homes~~ of the Department of
 6169 Business and Professional Regulation shall employ full-time
 6170 attorneys to act as arbitrators to conduct the arbitration
 6171 hearings provided by this chapter. The division may also certify
 6172 attorneys who are not employed by the division to act as
 6173 arbitrators to conduct the arbitration hearings provided by this
 6174 section. No person may be employed by the department as a full-
 6175 time arbitrator unless he or she is a member in good standing of
 6176 The Florida Bar. The department shall adopt rules of procedure
 6177 to govern such arbitration hearings including mediation incident
 6178 thereto. The decision of an arbitrator shall be final; however,
 6179 a decision shall not be deemed final agency action. Nothing in
 6180 this provision shall be construed to foreclose parties from
 6181 proceeding in a trial de novo unless the parties have agreed
 6182 that the arbitration is binding. If judicial proceedings are
 6183 initiated, the final decision of the arbitrator shall be
 6184 admissible in evidence in the trial de novo.

6185 (a) Prior to the institution of court litigation, a party
 6186 to a dispute shall petition the division for nonbinding
 6187 arbitration. The petition must be accompanied by a filing fee in
 6188 the amount of \$50. Filing fees collected under this section must

6189 be used to defray the expenses of the alternative dispute
6190 resolution program.

6191 (b) The petition must recite, and have attached thereto,
6192 supporting proof that the petitioner gave the respondents:

6193 1. Advance written notice of the specific nature of the
6194 dispute;

6195 2. A demand for relief, and a reasonable opportunity to
6196 comply or to provide the relief; and

6197 3. Notice of the intention to file an arbitration petition
6198 or other legal action in the absence of a resolution of the
6199 dispute.

6200
6201 Failure to include the allegations or proof of compliance with
6202 these prerequisites requires dismissal of the petition without
6203 prejudice.

6204 (c) Upon receipt, the petition shall be promptly reviewed
6205 by the division to determine the existence of a dispute and
6206 compliance with the requirements of paragraphs (a) and (b). If
6207 emergency relief is required and is not available through
6208 arbitration, a motion to stay the arbitration may be filed. The
6209 motion must be accompanied by a verified petition alleging facts
6210 that, if proven, would support entry of a temporary injunction,
6211 and if an appropriate motion and supporting papers are filed,
6212 the division may abate the arbitration pending a court hearing
6213 and disposition of a motion for temporary injunction.

6214 (d) Upon determination by the division that a dispute

6215 exists and that the petition substantially meets the
6216 requirements of paragraphs (a) and (b) and any other applicable
6217 rules, a copy of the petition shall be served by the division
6218 upon all respondents.

6219 (e) Before or after the filing of the respondents' answer
6220 to the petition, any party may request that the arbitrator refer
6221 the case to mediation under this section and any rules adopted
6222 by the division. Upon receipt of a request for mediation, the
6223 division shall promptly contact the parties to determine if
6224 there is agreement that mediation would be appropriate. If all
6225 parties agree, the dispute must be referred to mediation.
6226 Notwithstanding a lack of an agreement by all parties, the
6227 arbitrator may refer a dispute to mediation at any time.

6228 (f) Upon referral of a case to mediation, the parties must
6229 select a mutually acceptable mediator. To assist in the
6230 selection, the arbitrator shall provide the parties with a list
6231 of both volunteer and paid mediators that have been certified by
6232 the division under s. 718.501. If the parties are unable to
6233 agree on a mediator within the time allowed by the arbitrator,
6234 the arbitrator shall appoint a mediator from the list of
6235 certified mediators. If a case is referred to mediation, the
6236 parties shall attend a mediation conference, as scheduled by the
6237 parties and the mediator. If any party fails to attend a duly
6238 noticed mediation conference, without the permission or approval
6239 of the arbitrator or mediator, the arbitrator must impose
6240 sanctions against the party, including the striking of any

6241 pleadings filed, the entry of an order of dismissal or default
6242 if appropriate, and the award of costs and attorneys' fees
6243 incurred by the other parties. Unless otherwise agreed to by the
6244 parties or as provided by order of the arbitrator, a party is
6245 deemed to have appeared at a mediation conference by the
6246 physical presence of the party or its representative having full
6247 authority to settle without further consultation, provided that
6248 an association may comply by having one or more representatives
6249 present with full authority to negotiate a settlement and
6250 recommend that the board of administration ratify and approve
6251 such a settlement within 5 days from the date of the mediation
6252 conference. The parties shall share equally the expense of
6253 mediation, unless they agree otherwise.

6254 (g) The purpose of mediation as provided for by this
6255 section is to present the parties with an opportunity to resolve
6256 the underlying dispute in good faith, and with a minimum
6257 expenditure of time and resources.

6258 (h) Mediation proceedings must generally be conducted in
6259 accordance with the Florida Rules of Civil Procedure, and these
6260 proceedings are privileged and confidential to the same extent
6261 as court-ordered mediation. Persons who are not parties to the
6262 dispute are not allowed to attend the mediation conference
6263 without the consent of all parties, with the exception of
6264 counsel for the parties and corporate representatives designated
6265 to appear for a party. If the mediator declares an impasse after
6266 a mediation conference has been held, the arbitration proceeding

6267 terminates, unless all parties agree in writing to continue the
6268 arbitration proceeding, in which case the arbitrator's decision
6269 shall be binding or nonbinding, as agreed upon by the parties;
6270 in the arbitration proceeding, the arbitrator shall not consider
6271 any evidence relating to the unsuccessful mediation except in a
6272 proceeding to impose sanctions for failure to appear at the
6273 mediation conference. If the parties do not agree to continue
6274 arbitration, the arbitrator shall enter an order of dismissal,
6275 and either party may institute a suit in a court of competent
6276 jurisdiction. The parties may seek to recover any costs and
6277 attorneys' fees incurred in connection with arbitration and
6278 mediation proceedings under this section as part of the costs
6279 and fees that may be recovered by the prevailing party in any
6280 subsequent litigation.

6281 (i) Arbitration shall be conducted according to rules
6282 adopted by the division. The filing of a petition for
6283 arbitration shall toll the applicable statute of limitations.

6284 (j) At the request of any party to the arbitration, the
6285 arbitrator shall issue subpoenas for the attendance of witnesses
6286 and the production of books, records, documents, and other
6287 evidence and any party on whose behalf a subpoena is issued may
6288 apply to the court for orders compelling such attendance and
6289 production. Subpoenas shall be served and shall be enforceable
6290 in the manner provided by the Florida Rules of Civil Procedure.
6291 Discovery may, in the discretion of the arbitrator, be permitted
6292 in the manner provided by the Florida Rules of Civil Procedure.

6293 Rules adopted by the division may authorize any reasonable
6294 sanctions except contempt for a violation of the arbitration
6295 procedural rules of the division or for the failure of a party
6296 to comply with a reasonable nonfinal order issued by an
6297 arbitrator that ~~which~~ is not under judicial review.

6298 (k) The arbitration decision shall be presented to the
6299 parties in writing. An arbitration decision is final in those
6300 disputes in which the parties have agreed to be bound. An
6301 arbitration decision is also final if a complaint for a trial de
6302 novo is not filed in a court of competent jurisdiction in which
6303 the common interest community ~~condominium~~ is located within 30
6304 days. The right to file for a trial de novo entitles the parties
6305 to file a complaint in the appropriate trial court for a
6306 judicial resolution of the dispute. The prevailing party in an
6307 arbitration proceeding shall be awarded the costs of the
6308 arbitration and reasonable attorney ~~attorney's~~ fees in an amount
6309 determined by the arbitrator. Such an award shall include the
6310 costs and reasonable attorney ~~attorney's~~ fees incurred in the
6311 arbitration proceeding as well as the costs and reasonable
6312 attorney ~~attorney's~~ fees incurred in preparing for and attending
6313 any scheduled mediation.

6314 (l) The party who files a complaint for a trial de novo
6315 shall be assessed the other party's arbitration costs, court
6316 costs, and other reasonable costs, including attorney ~~attorney's~~
6317 fees, investigation expenses, and expenses for expert or other
6318 testimony or evidence incurred after the arbitration hearing if

6319 the judgment upon the trial de novo is not more favorable than
 6320 the arbitration decision. If the judgment is more favorable, the
 6321 party who filed a complaint for trial de novo shall be awarded
 6322 reasonable court costs and attorney ~~attorney's~~ fees.

6323 (m) Any party to an arbitration proceeding may enforce an
 6324 arbitration award by filing a petition in a court of competent
 6325 jurisdiction in which the common interest community ~~condominium~~
 6326 is located. A petition may not be granted unless the time for
 6327 appeal by the filing of a complaint for trial de novo has
 6328 expired. If a complaint for a trial de novo has been filed, a
 6329 petition may not be granted with respect to an arbitration award
 6330 that has been stayed. If the petition for enforcement is
 6331 granted, the petitioner shall recover reasonable attorney
 6332 ~~attorney's~~ fees and costs incurred in enforcing the arbitration
 6333 award. A mediation settlement may also be enforced through the
 6334 county or circuit court, as applicable, and any costs and fees
 6335 incurred in the enforcement of a settlement agreement reached at
 6336 mediation must be awarded to the prevailing party in any
 6337 enforcement action.

6338 (5) DISPUTES INVOLVING ELECTION IRREGULARITIES.—Every
 6339 arbitration petition received by the division and required to be
 6340 filed under this section challenging the legality of the
 6341 election of any director of the board of administration must be
 6342 handled on an expedited basis ~~in the manner provided by the~~
 6343 ~~division's rules for recall arbitration disputes.~~

6344 (6) APPLICABILITY.—This section does not apply to a

6345 nonresidential common interest community ~~condominium~~ unless
 6346 otherwise specifically provided for in the declaration of the
 6347 nonresidential common interest community ~~condominium~~.

6348 Section 69. Section 718.1256, Florida Statutes, is amended
 6349 to read:

6350 718.1256 Common interest communities ~~Condominiums~~ as
 6351 residential property.—For the purpose of property and casualty
 6352 insurance risk classification, common interest communities
 6353 ~~condominiums~~ shall be classed as residential property.

6354 Section 70. Section 718.1265, Florida Statutes, is amended
 6355 to read:

6356 718.1265 Association emergency powers.—

6357 (1) To the extent allowed by law and unless specifically
 6358 prohibited by the declaration of common interest community
 6359 ~~condominium~~, the articles, or the bylaws of an association, and
 6360 consistent with the provisions of s. 617.0830, the board of
 6361 administration, in response to damage caused by an event for
 6362 which a state of emergency is declared pursuant to s. 252.36 in
 6363 the locale in which the common interest community ~~condominium~~ is
 6364 located, may, but is not required to, exercise the following
 6365 powers:

6366 (a) Conduct board meetings and membership meetings with
 6367 notice given as is practicable. Such notice may be given in any
 6368 practicable manner, including publication, radio, United States
 6369 mail, the Internet, public service announcements, and
 6370 conspicuous posting on the common interest community ~~condominium~~

6371 property or any other means the board deems reasonable under the
 6372 circumstances. Notice of board decisions may be communicated as
 6373 provided in this paragraph.

6374 (b) Cancel and reschedule any association meeting.

6375 (c) Name as assistant officers persons who are not
 6376 directors, which assistant officers shall have the same
 6377 authority as the executive officers to whom they are assistants
 6378 during the state of emergency to accommodate the incapacity or
 6379 unavailability of any officer of the association.

6380 (d) Relocate the association's principal office or
 6381 designate alternative principal offices.

6382 (e) Enter into agreements with local counties and
 6383 municipalities to assist counties and municipalities with debris
 6384 removal.

6385 (f) Implement a disaster plan before or immediately
 6386 following the event for which a state of emergency is declared
 6387 which may include, but is not limited to, shutting down or off
 6388 elevators; electricity; water, sewer, or security systems; or
 6389 air conditioners.

6390 (g) Based upon advice of emergency management officials or
 6391 upon the advice of licensed professionals retained by the board,
 6392 determine any portion of the common interest community
 6393 ~~condominium~~ property unavailable for entry or occupancy by unit
 6394 owners, family members, tenants, guests, agents, or invitees to
 6395 protect the health, safety, or welfare of such persons.

6396 (h) Require the evacuation of the common interest

6397 community ~~condominium~~ property in the event of a mandatory
 6398 evacuation order in the locale in which the common interest
 6399 community ~~condominium~~ is located. Should any unit owner or other
 6400 occupant of a common interest community ~~condominium~~ fail or
 6401 refuse to evacuate the common interest community ~~condominium~~
 6402 property where the board has required evacuation, the
 6403 association shall be immune from liability or injury to persons
 6404 or property arising from such failure or refusal.

6405 (i) Based upon advice of emergency management officials or
 6406 upon the advice of licensed professionals retained by the board,
 6407 determine whether the common interest community ~~condominium~~
 6408 property can be safely inhabited or occupied. However, such
 6409 determination is not conclusive as to any determination of
 6410 habitability pursuant to the declaration.

6411 (j) Mitigate further damage, including taking action to
 6412 contract for the removal of debris and to prevent or mitigate
 6413 the spread of fungus, including, but not limited to, mold or
 6414 mildew, by removing and disposing of wet drywall, insulation,
 6415 carpet, cabinetry, or other fixtures on or within the common
 6416 interest community ~~condominium~~ property, even if the unit owner
 6417 is obligated by the declaration or law to insure or replace
 6418 those fixtures and to remove personal property from a unit.

6419 (k) Contract, on behalf of any unit owner or owners, for
 6420 items or services for which the owners are otherwise
 6421 individually responsible, but which are necessary to prevent
 6422 further damage to the common interest community ~~condominium~~

6423 | property. In such event, the unit owner or owners on whose
 6424 | behalf the board has contracted are responsible for reimbursing
 6425 | the association for the actual costs of the items or services,
 6426 | and the association may use its lien authority provided by s.
 6427 | 718.116 to enforce collection of the charges. Without
 6428 | limitation, such items or services may include the drying of
 6429 | units, the boarding of broken windows or doors, and the
 6430 | replacement of damaged air conditioners or air handlers to
 6431 | provide climate control in the units or other portions of the
 6432 | property.

6433 | (1) Regardless of any provision to the contrary and even
 6434 | if such authority does not specifically appear in the
 6435 | declaration of common interest community ~~condominium~~, articles,
 6436 | or bylaws of the association, levy special assessments without a
 6437 | vote of the owners.

6438 | (m) Without unit owners' approval, borrow money and pledge
 6439 | association assets as collateral to fund emergency repairs and
 6440 | carry out the duties of the association when operating funds are
 6441 | insufficient. This paragraph does not limit the general
 6442 | authority of the association to borrow money, subject to such
 6443 | restrictions as are contained in the declaration of common
 6444 | interest community ~~condominium~~, articles, or bylaws of the
 6445 | association.

6446 | (2) The special powers authorized under subsection (1)
 6447 | shall be limited to that time reasonably necessary to protect
 6448 | the health, safety, and welfare of the association and the unit

6449 owners and the unit owners' family members, tenants, guests,
 6450 agents, or invitees and shall be reasonably necessary to
 6451 mitigate further damage and make emergency repairs.

6452 Section 71. Section 718.127, Florida Statutes, is amended
 6453 to read:

6454 718.127 Receivership notification.—Upon the appointment of
 6455 a receiver by a court for any reason relating to a common
 6456 interest community ~~condominium~~ association, the court shall
 6457 direct the receiver to provide to all unit owners written notice
 6458 of his or her appointment as receiver. Such notice shall be
 6459 mailed or delivered within 10 days after the appointment. Notice
 6460 by mail to a unit owner shall be sent to the address used by the
 6461 county property appraiser for notice to the unit owner.

6462 Section 72. Section 719.114, Florida Statutes, is
 6463 transferred and renumbered as section 718.129, Florida Statutes.

6464 Section 73. Section 718.202, Florida Statutes, is amended
 6465 to read:

6466 718.202 Sales or reservation deposits prior to closing.—

6467 (1) If a developer contracts to sell a common interest
 6468 community ~~condominium~~ parcel and the construction, furnishing,
 6469 and landscaping of the property submitted or proposed to be
 6470 submitted to common interest community ~~condominium~~ ownership has
 6471 not been substantially completed in accordance with the plans
 6472 and specifications and representations made by the developer in
 6473 the disclosures required by this chapter, the developer shall
 6474 pay into an escrow account all payments up to 10 percent of the

6475 sale price received by the developer from the buyer towards the
6476 sale price. The escrow agent shall give to the purchaser a
6477 receipt for the deposit, upon request. In lieu of the foregoing,
6478 the division director has the discretion to accept other
6479 assurances, including, but not limited to, a surety bond or an
6480 irrevocable letter of credit in an amount equal to the escrow
6481 requirements of this section. Default determinations and refund
6482 of deposits shall be governed by the escrow release provision of
6483 this subsection. Funds shall be released from escrow as follows:

6484 (a) If a buyer properly terminates the contract pursuant
6485 to its terms or pursuant to this chapter, the funds shall be
6486 paid to the buyer together with any interest earned.

6487 (b) If the buyer defaults in the performance of his or her
6488 obligations under the contract of purchase and sale, the funds
6489 shall be paid to the developer together with any interest
6490 earned.

6491 (c) If the contract does not provide for the payment of
6492 any interest earned on the escrowed funds, interest shall be
6493 paid to the developer at the closing of the transaction.

6494 (d) If the funds of a buyer have not been previously
6495 disbursed in accordance with the provisions of this subsection,
6496 they may be disbursed to the developer by the escrow agent at
6497 the closing of the transaction, unless prior to the disbursement
6498 the escrow agent receives from the buyer written notice of a
6499 dispute between the buyer and developer.

6500 (2) All payments which are in excess of the 10 percent of

6501 the sale price described in subsection (1) and which have been
6502 received prior to completion of construction by the developer
6503 from the buyer on a contract for purchase of a common interest
6504 community ~~condominium~~ parcel shall be held in a special escrow
6505 account established as provided in subsection (1) and controlled
6506 by an escrow agent and may not be used by the developer prior to
6507 closing the transaction, except as provided in subsection (3) or
6508 except for refund to the buyer. If the money remains in this
6509 special account for more than 3 months and earns interest, the
6510 interest shall be paid as provided in subsection (1).

6511 (3) If the contract for sale of the common interest
6512 community ~~condominium~~ unit so provides, the developer may
6513 withdraw escrow funds in excess of 10 percent of the purchase
6514 price from the special account required by subsection (2) when
6515 the construction of improvements has begun. He or she may use
6516 the funds in the actual construction and development of the
6517 common interest community ~~condominium~~ property in which the unit
6518 to be sold is located. However, no part of these funds may be
6519 used for salaries, commissions, or expenses of salespersons or
6520 for advertising purposes. A contract which permits use of the
6521 advance payments for these purposes shall include the following
6522 legend conspicuously printed or stamped in boldfaced type on the
6523 first page of the contract and immediately above the place for
6524 the signature of the buyer: ANY PAYMENT IN EXCESS OF 10 PERCENT
6525 OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING
6526 PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES

6527 BY THE DEVELOPER.

6528 (4) The term "completion of construction" means issuance
6529 of a certificate of occupancy for the entire building or
6530 improvement, or the equivalent authorization issued by the
6531 governmental body having jurisdiction, and, in a jurisdiction
6532 where no certificate of occupancy or equivalent authorization is
6533 issued, it means substantial completion of construction,
6534 finishing, and equipping of the building or improvements
6535 according to the plans and specifications.

6536 (5) The failure to comply with the provisions of this
6537 section renders the contract voidable by the buyer, and, if
6538 voided, all sums deposited or advanced under the contract shall
6539 be refunded with interest at the highest rate then being paid on
6540 savings accounts, excluding certificates of deposit, by savings
6541 and loan associations in the area in which the common interest
6542 community condominium property is located.

6543 (6) If a developer enters into a reservation agreement,
6544 the developer shall pay into an escrow account all reservation
6545 deposit payments. Reservation deposits shall be payable to the
6546 escrow agent, who shall give to the prospective purchaser a
6547 receipt for the deposit, acknowledging that the deposit is being
6548 held pursuant to the requirements of this subsection. The funds
6549 may be placed in either interest-bearing or non-interest-bearing
6550 accounts, provided that the funds shall at all reasonable times
6551 be available for withdrawal in full by the escrow agent. The
6552 developer shall maintain separate records for each common

6553 interest community ~~condominium~~ or proposed common interest
6554 community ~~condominium~~ for which deposits are being accepted.
6555 Upon written request to the escrow agent by the prospective
6556 purchaser or developer, the funds shall be immediately and
6557 without qualification refunded in full to the prospective
6558 purchaser. Upon such refund, any interest shall be paid to the
6559 prospective purchaser, unless otherwise provided in the
6560 reservation agreement. A reservation deposit shall not be
6561 released directly to the developer except as a down payment on
6562 the purchase price simultaneously with or subsequent to the
6563 execution of a contract. Upon the execution of a purchase
6564 agreement for a unit, any funds paid by the purchaser as a
6565 deposit to reserve the unit pursuant to a reservation agreement,
6566 and any interest thereon, shall cease to be subject to the
6567 provisions of this subsection and shall instead be subject to
6568 the provisions of subsections (1)-(5).

6569 (7) Any developer who willfully fails to comply with the
6570 provisions of this section concerning establishment of an escrow
6571 account, deposits of funds into escrow, and withdrawal of funds
6572 from escrow is guilty of a felony of the third degree,
6573 punishable as provided in s. 775.082, s. 775.083, or s. 775.084,
6574 or the successor thereof. The failure to establish an escrow
6575 account or to place funds in an escrow account is prima facie
6576 evidence of an intentional and purposeful violation of this
6577 section.

6578 (8) Every escrow account required by this section shall be

6579 established with a bank; a savings and loan association; an
 6580 attorney who is a member of The Florida Bar; a real estate
 6581 broker registered under chapter 475; a title insurer authorized
 6582 to do business in this state, acting through either its
 6583 employees or a title insurance agent licensed under chapter 626;
 6584 or any financial lending institution having a net worth in
 6585 excess of \$5 million. The escrow agent shall not be located
 6586 outside the state unless, pursuant to the escrow agreement, the
 6587 escrow agent submits to the jurisdiction of the division and the
 6588 courts of this state for any cause of action arising from the
 6589 escrow. Every escrow agent shall be independent of the
 6590 developer, and no developer or any officer, director, affiliate,
 6591 subsidiary, or employee of a developer may serve as escrow
 6592 agent. Escrow funds may be invested only in securities of the
 6593 United States or an agency thereof or in accounts in
 6594 institutions the deposits of which are insured by an agency of
 6595 the United States.

6596 (9) Any developer who is subject to the provisions of this
 6597 section is not subject to the provisions of s. 501.1375.

6598 (10) Nothing in this section shall be construed to require
 6599 any filing with the division in the case of common interest
 6600 communities ~~condominiums~~ other than residential common interest
 6601 communities ~~condominiums~~.

6602 (11) All funds deposited into escrow pursuant to
 6603 subsection (1) or subsection (2) may be held in one or more
 6604 escrow accounts by the escrow agent. If only one escrow account

6605 is used, the escrow agent must maintain separate accounting
6606 records for each purchaser and for amounts separately covered
6607 under subsections (1) and (2) and, if applicable, released to
6608 the developer pursuant to subsection (3). Separate accounting by
6609 the escrow agent of the escrow funds constitutes compliance with
6610 this section even if the funds are held by the escrow agent in a
6611 single escrow account. It is the intent of this subsection to
6612 clarify existing law.

6613 Section 74. Section 718.203, Florida Statutes, is amended
6614 to read:

6615 718.203 Warranties.—

6616 (1) The developer shall be deemed to have granted to the
6617 purchaser of each unit an implied warranty of fitness and
6618 merchantability for the purposes or uses intended as follows:

6619 (a) As to each unit, a warranty for 3 years commencing
6620 with the completion of the building containing the unit.

6621 (b) As to the personal property that is transferred with,
6622 or appurtenant to, each unit, a warranty which is for the same
6623 period as that provided by the manufacturer of the personal
6624 property, commencing with the date of closing of the purchase or
6625 the date of possession of the unit, whichever is earlier.

6626 (c) As to all other improvements for the use of unit
6627 owners, a 3-year warranty commencing with the date of completion
6628 of the improvements.

6629 (d) As to all other personal property for the use of unit
6630 owners, a warranty which shall be the same as that provided by

6631 the manufacturer of the personal property.

6632 (e) As to the roof and structural components of a building
6633 or other improvements and as to mechanical, electrical, and
6634 plumbing elements serving improvements or a building, except
6635 mechanical elements serving only one unit, a warranty for a
6636 period beginning with the completion of construction of each
6637 building or improvement and continuing for 3 years thereafter or
6638 1 year after owners other than the developer obtain control of
6639 the association, whichever occurs last, but in no event more
6640 than 5 years.

6641 (f) As to all other property which is conveyed with a
6642 unit, a warranty to the initial purchaser of each unit for a
6643 period of 1 year from the date of closing of the purchase or the
6644 date of possession, whichever occurs first.

6645 (2) The contractor, and all subcontractors and suppliers,
6646 grant to the developer and to the purchaser of each unit implied
6647 warranties of fitness as to the work performed or materials
6648 supplied by them as follows:

6649 (a) For a period of 3 years from the date of completion of
6650 construction of a building or improvement, a warranty as to the
6651 roof and structural components of the building or improvement
6652 and mechanical and plumbing elements serving a building or an
6653 improvement, except mechanical elements serving only one unit.

6654 (b) For a period of 1 year after completion of all
6655 construction, a warranty as to all other improvements and
6656 materials.

6657 (3) "Completion of a building or improvement" means
 6658 issuance of a certificate of occupancy, whether temporary or
 6659 otherwise, that allows for occupancy or use of the entire
 6660 building or improvement, or an equivalent authorization issued
 6661 by the governmental body having jurisdiction. In jurisdictions
 6662 where no certificate of occupancy or equivalent authorization is
 6663 issued, the term means substantial completion of construction,
 6664 finishing, and equipping of the building or improvement
 6665 according to the plans and specifications.

6666 (4) These warranties are conditioned upon routine
 6667 maintenance being performed, unless the maintenance is an
 6668 obligation of the developer or a developer-controlled
 6669 association.

6670 (5) The warranties provided by this section shall inure to
 6671 the benefit of each owner and his or her successor owners and to
 6672 the benefit of the developer.

6673 (6) Nothing in this section affects a common interest
 6674 community ~~condominium~~ as to which rights are established by
 6675 contracts for sale of 10 percent or more of the units in the
 6676 common interest community ~~condominium~~ by the developer to
 6677 prospective unit owners prior to July 1, 1974, or as to common
 6678 interest community ~~condominium~~ buildings on which construction
 6679 has been commenced prior to July 1, 1974.

6680 (7) Residential common interest communities ~~condominiums~~
 6681 may be covered by an insured warranty program underwritten by a
 6682 licensed insurance company registered in this state, provided

6683 that such warranty program meets the minimum requirements of
6684 this chapter; to the degree that such warranty program does not
6685 meet the minimum requirements of this chapter, such requirements
6686 shall apply.

6687 Section 75. Section 718.301, Florida Statutes, is amended
6688 to read:

6689 718.301 Transfer of association control; claims of defect
6690 by association.—

6691 (1) If unit owners other than the developer own 15 percent
6692 or more of the units in a common interest community ~~condominium~~
6693 that will be operated ultimately by an association, the unit
6694 owners other than the developer are entitled to elect at least
6695 one-third of the members of the board of administration of the
6696 association. Unit owners other than the developer are entitled
6697 to elect at least a majority of the members of the board of
6698 administration of an association, upon the first to occur of any
6699 of the following events:

6700 (a) Three years after 50 percent of the units that will be
6701 operated ultimately by the association have been conveyed to
6702 purchasers;

6703 (b) Three months after 90 percent of the units that will
6704 be operated ultimately by the association have been conveyed to
6705 purchasers;

6706 (c) When all the units that will be operated ultimately by
6707 the association have been completed, some of them have been
6708 conveyed to purchasers, and none of the others are being offered

6709 for sale by the developer in the ordinary course of business;

6710 (d) When some of the units have been conveyed to
6711 purchasers and none of the others are being constructed or
6712 offered for sale by the developer in the ordinary course of
6713 business;

6714 (e) When the developer files a petition seeking protection
6715 in bankruptcy;

6716 (f) When a receiver for the developer is appointed by a
6717 circuit court and is not discharged within 30 days after such
6718 appointment, unless the court determines within 30 days after
6719 appointment of the receiver that transfer of control would be
6720 detrimental to the association or its members; or

6721 (g) Seven years after the date of the recording of the
6722 certificate of a surveyor and mapper pursuant to s. 718.104(6)
6723 ~~718.104(4)(e)~~ or the recording of an instrument that transfers
6724 title to a unit in the common interest community ~~condominium~~
6725 which is not accompanied by a recorded assignment of developer
6726 rights in favor of the grantee of such unit, whichever occurs
6727 first; or, in the case of an association that may ultimately
6728 operate more than one common interest community, 7 years after
6729 the date of the recording of the certificate of a surveyor and
6730 mapper pursuant to s. 718.104(6) or the recording of an
6731 instrument that transfers title to a unit in the common interest
6732 community which is not accompanied by a recorded assignment of
6733 developer rights in favor of the grantee of such unit, whichever
6734 occurs first, for the first common interest community it

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6735 operates; or, in the case of an association operating a phase
6736 common interest community created pursuant to s. 718.403
6737 ~~condominium~~, 7 years after the date of the recording of the
6738 certificate of a surveyor and mapper pursuant to s. 718.104(6)
6739 ~~718.104(4)(e)~~ or the recording of an instrument that transfers
6740 title to a unit in the common interest community which is not
6741 accompanied by a recorded assignment of developer rights in
6742 favor of the grantee of such unit, whichever occurs first, ~~for~~
6743 ~~the first condominium it operates; or, in the case of an~~
6744 ~~association operating a phase condominium created pursuant to s.~~
6745 ~~718.403, 7 years after the date of the recording of the~~
6746 ~~certificate of a surveyor and mapper pursuant to s.~~
6747 ~~718.104(4)(e) or the recording of an instrument that transfers~~
6748 ~~title to a unit which is not accompanied by a recorded~~
6749 ~~assignment of developer rights in favor of the grantee of such~~
6750 ~~unit, whichever occurs first.~~

6751
6752 The developer is entitled to elect at least one member of the
6753 board of administration of an association as long as the
6754 developer holds for sale in the ordinary course of business at
6755 least 5 percent, in common interest communities ~~condominiums~~
6756 with fewer than 500 units, and 2 percent, in common interest
6757 communities ~~condominiums~~ with more than 500 units, of the units
6758 in a common interest community ~~condominium~~ operated by the
6759 association. After the developer relinquishes control of the
6760 association, the developer may exercise the right to vote any

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6761 developer-owned units in the same manner as any other unit owner
6762 except for purposes of reacquiring control of the association or
6763 selecting the majority members of the board of administration.

6764 (2) Within 75 days after the unit owners other than the
6765 developer are entitled to elect a member or members of the board
6766 of administration of an association, the association shall call,
6767 and give not less than 60 days' notice of an election for the
6768 members of the board of administration. The election shall
6769 proceed as provided in s. 718.112(2)(d). The notice may be given
6770 by any unit owner if the association fails to do so. Upon
6771 election of the first unit owner other than the developer to the
6772 board of administration, the developer shall forward to the
6773 division the name and mailing address of the unit owner board
6774 member.

6775 (3) If a developer holds units for sale in the ordinary
6776 course of business, none of the following actions may be taken
6777 without approval in writing by the developer:

6778 (a) Assessment of the developer as a unit owner for
6779 capital improvements.

6780 (b) Any action by the association that would be
6781 detrimental to the sales of units by the developer. However, an
6782 increase in assessments for common expenses without
6783 discrimination against the developer shall not be deemed to be
6784 detrimental to the sales of units.

6785 (4) At the time that unit owners other than the developer
6786 elect a majority of the members of the board of administration

6787 of an association, the developer shall relinquish control of the
6788 association, and the unit owners shall accept control.

6789 Simultaneously, or for the purposes of paragraph (c) not more
6790 than 90 days thereafter, the developer shall deliver to the
6791 association, at the developer's expense, all property of the
6792 unit owners and of the association which is held or controlled
6793 by the developer, including, but not limited to, the following
6794 items, if applicable, as to each common interest community
6795 ~~condominium~~ operated by the association:

6796 (a)1. The original or a photocopy of the recorded
6797 declaration of common interest community ~~condominium~~ and all
6798 amendments thereto. If a photocopy is provided, it must be
6799 certified by affidavit of the developer or an officer or agent
6800 of the developer as being a complete copy of the actual recorded
6801 declaration.

6802 2. A certified copy of the articles of incorporation of
6803 the association or, if the association was created prior to the
6804 effective date of this act and it is not incorporated, copies of
6805 the documents creating the association.

6806 3. A copy of the bylaws.

6807 4. The minute books, including all minutes, and other
6808 books and records of the association, if any.

6809 5. Any house rules and regulations that have been
6810 promulgated.

6811 (b) Resignations of officers and members of the board of
6812 administration who are required to resign because the developer

6813 is required to relinquish control of the association.

6814 (c) The financial records, including financial statements
6815 of the association, and source documents from the incorporation
6816 of the association through the date of turnover. The records
6817 must be audited for the period from the incorporation of the
6818 association or from the period covered by the last audit, if an
6819 audit has been performed for each fiscal year since
6820 incorporation, by an independent certified public accountant.
6821 All financial statements must be prepared in accordance with
6822 generally accepted accounting principles and must be audited in
6823 accordance with generally accepted auditing standards, as
6824 prescribed by the Florida Board of Accountancy, pursuant to
6825 chapter 473. The accountant performing the audit shall examine
6826 to the extent necessary supporting documents and records,
6827 including the cash disbursements and related paid invoices to
6828 determine if expenditures were for association purposes and the
6829 billings, cash receipts, and related records to determine that
6830 the developer was charged and paid the proper amounts of
6831 assessments.

6832 (d) Association funds or control thereof.

6833 (e) All tangible personal property that is property of the
6834 association, which is represented by the developer to be part of
6835 the common elements or which is ostensibly part of the common
6836 elements, and an inventory of that property.

6837 (f) A copy of the plans and specifications utilized in the
6838 construction or remodeling of improvements and the supplying of

6839 equipment to the common interest community ~~condominium~~ and in
6840 the construction and installation of all mechanical components
6841 serving the improvements and the site with a certificate in
6842 affidavit form of the developer or the developer's agent or an
6843 architect or engineer authorized to practice in this state that
6844 such plans and specifications represent, to the best of his or
6845 her knowledge and belief, the actual plans and specifications
6846 utilized in the construction and improvement of the common
6847 interest community ~~condominium~~ property and for the construction
6848 and installation of the mechanical components serving the
6849 improvements. If the common interest community ~~condominium~~
6850 property has been declared a common interest community
6851 ~~condominium~~ more than 3 years after the completion of
6852 construction or remodeling of the improvements, the requirements
6853 of this paragraph do not apply.

6854 (g) A list of the names and addresses of all contractors,
6855 subcontractors, and suppliers utilized in the construction or
6856 remodeling of the improvements and in the landscaping of the
6857 common interest community ~~condominium~~ or association property
6858 which the developer had knowledge of at any time in the
6859 development of the common interest community ~~condominium~~.

6860 (h) Insurance policies.

6861 (i) Copies of any certificates of occupancy that may have
6862 been issued for the common interest community ~~condominium~~
6863 property.

6864 (j) Any other permits applicable to the common interest

6865 community ~~condominium~~ property which have been issued by
 6866 governmental bodies and are in force or were issued within 1
 6867 year prior to the date the unit owners other than the developer
 6868 took control of the association.

6869 (k) All written warranties of the contractor,
 6870 subcontractors, suppliers, and manufacturers, if any, that are
 6871 still effective.

6872 (l) A roster of unit owners and their addresses and
 6873 telephone numbers, if known, as shown on the developer's
 6874 records.

6875 (m) Leases of the common elements and other leases to
 6876 which the association is a party.

6877 (n) Employment contracts or service contracts in which the
 6878 association is one of the contracting parties or service
 6879 contracts in which the association or the unit owners have an
 6880 obligation or responsibility, directly or indirectly, to pay
 6881 some or all of the fee or charge of the person or persons
 6882 performing the service.

6883 (o) All other contracts to which the association is a
 6884 party.

6885 (p) A report included in the official records, under seal
 6886 of an architect or engineer authorized to practice in this
 6887 state, attesting to required maintenance, useful life, and
 6888 replacement costs of the following applicable common elements
 6889 comprising a turnover inspection report:

6890 1. Roof.

- 6891 2. Structure.
- 6892 3. Fireproofing and fire protection systems.
- 6893 4. Elevators.
- 6894 5. Heating and cooling systems.
- 6895 6. Plumbing.
- 6896 7. Electrical systems.
- 6897 8. Swimming pool or spa and equipment.
- 6898 9. Seawalls.
- 6899 10. Pavement and parking areas.
- 6900 11. Drainage systems.
- 6901 12. Painting.
- 6902 13. Irrigation systems.

6903 (q) A copy of the certificate of a surveyor and mapper
 6904 recorded pursuant to s. 718.104(6) ~~718.104(4)(e)~~ or the recorded
 6905 instrument that transfers title to a unit in the common interest
 6906 community condominium which is not accompanied by a recorded
 6907 assignment of developer rights in favor of the grantee of such
 6908 unit, whichever occurred first.

6909 (5) If, during the period prior to the time that the
 6910 developer relinquishes control of the association pursuant to
 6911 subsection (4), any provision of the Common Interest Community
 6912 ~~Condominium~~ Act or any rule promulgated thereunder is violated
 6913 by the association, the developer is responsible for such
 6914 violation and is subject to the administrative action provided
 6915 in this chapter for such violation or violations and is liable
 6916 for such violation or violations to third parties. This

6917 subsection is intended to clarify existing law.

6918 (6) Prior to the developer relinquishing control of the
 6919 association pursuant to subsection (4), actions taken by members
 6920 of the board of administration designated by the developer are
 6921 considered actions taken by the developer, and the developer is
 6922 responsible to the association and its members for all such
 6923 actions.

6924 (7) In any claim against a developer by an association
 6925 alleging a defect in design, structural elements, construction,
 6926 or any mechanical, electrical, fire protection, plumbing, or
 6927 other element that requires a licensed professional for design
 6928 or installation under chapter 455, chapter 471, chapter 481,
 6929 chapter 489, or chapter 633, such defect must be examined and
 6930 certified by an appropriately licensed Florida engineer, design
 6931 professional, contractor, or otherwise licensed Florida
 6932 individual or entity.

6933 (8) The division has authority to adopt rules pursuant to
 6934 the Administrative Procedure Act to ensure the efficient and
 6935 effective transition from developer control of a common interest
 6936 community condominium to the establishment of a unit-owner
 6937 controlled association.

6938 Section 76. Section 718.302, Florida Statutes, is amended
 6939 to read:

6940 718.302 Agreements entered into by the association.—

6941 (1) Any grant or reservation made by a declaration, lease,
 6942 or other document, and any contract made by an association prior

6943 to assumption of control of the association by unit owners other
 6944 than the developer, that provides for operation, maintenance, or
 6945 management of a common interest community ~~condominium~~
 6946 association or property serving the unit owners of a common
 6947 interest community ~~condominium~~ shall be fair and reasonable, and
 6948 such grant, reservation, or contract may be canceled by unit
 6949 owners other than the developer:

6950 (a) If the association operates only one common interest
 6951 community ~~condominium~~ and the unit owners other than the
 6952 developer have assumed control of the association, or if unit
 6953 owners other than the developer own not less than 75 percent of
 6954 the voting interests in the common interest community
 6955 ~~condominium~~, the cancellation shall be by concurrence of the
 6956 owners of not less than 75 percent of the voting interests other
 6957 than the voting interests owned by the developer. If a grant,
 6958 reservation, or contract is so canceled and the unit owners
 6959 other than the developer have not assumed control of the
 6960 association, the association shall make a new contract or
 6961 otherwise provide for maintenance, management, or operation in
 6962 lieu of the canceled obligation, at the direction of the owners
 6963 of not less than a majority of the voting interests in the
 6964 common interest community ~~condominium~~ other than the voting
 6965 interests owned by the developer.

6966 (b) If the association operates more than one common
 6967 interest community ~~condominium~~ and the unit owners other than
 6968 the developer have not assumed control of the association, and

6969 if unit owners other than the developer own at least 75 percent
 6970 of the voting interests in a common interest community
 6971 ~~condominium~~ operated by the association, any grant, reservation,
 6972 or contract for maintenance, management, or operation of
 6973 buildings containing the units in that common interest community
 6974 ~~condominium~~ or of improvements used only by unit owners of that
 6975 common interest community ~~condominium~~ may be canceled by
 6976 concurrence of the owners of at least 75 percent of the voting
 6977 interests in the common interest community ~~condominium~~ other
 6978 than the voting interests owned by the developer. No grant,
 6979 reservation, or contract for maintenance, management, or
 6980 operation of recreational areas or any other property serving
 6981 more than one common interest community ~~condominium~~, and
 6982 operated by more than one association, may be canceled except
 6983 pursuant to paragraph (d).

6984 (c) If the association operates more than one common
 6985 interest community ~~condominium~~ and the unit owners other than
 6986 the developer have assumed control of the association, the
 6987 cancellation shall be by concurrence of the owners of not less
 6988 than 75 percent of the total number of voting interests in all
 6989 common interest communities ~~condominiums~~ operated by the
 6990 association other than the voting interests owned by the
 6991 developer.

6992 (d) If the owners of units in a common interest community
 6993 ~~condominium~~ have the right to use property in common with owners
 6994 of units in other common interest communities ~~condominiums~~ and

6995 those common interest communities ~~condominiums~~ are operated by
6996 more than one association, no grant, reservation, or contract
6997 for maintenance, management, or operation of the property
6998 serving more than one common interest community ~~condominium~~ may
6999 be canceled until unit owners other than the developer have
7000 assumed control of all of the associations operating the common
7001 interest communities ~~condominiums~~ that are to be served by the
7002 recreational area or other property, after which cancellation
7003 may be effected by concurrence of the owners of not less than 75
7004 percent of the total number of voting interests in those common
7005 interest communities ~~condominiums~~ other than voting interests
7006 owned by the developer.

7007 (2) Any grant or reservation made by a declaration, lease,
7008 or other document, or any contract made by the developer or
7009 association prior to the time when unit owners other than the
7010 developer elect a majority of the board of administration, which
7011 grant, reservation, or contract requires the association to
7012 purchase common interest community ~~condominium~~ property or to
7013 lease common interest community ~~condominium~~ property to another
7014 party, shall be deemed ratified unless rejected by a majority of
7015 the voting interests of unit owners other than the developer
7016 within 18 months after unit owners other than the developer
7017 elect a majority of the board of administration. This subsection
7018 does not apply to any grant or reservation made by a declaration
7019 whereby persons other than the developer or the developer's
7020 heirs, assigns, affiliates, directors, officers, or employees

7021 are granted the right to use the common interest community
 7022 ~~condominium~~ property, so long as such persons are obligated to
 7023 pay, at a minimum, a proportionate share of the cost associated
 7024 with such property.

7025 (3) Any grant or reservation made by a declaration, lease,
 7026 or other document, and any contract made by an association,
 7027 whether before or after assumption of control of the association
 7028 by unit owners other than the developer, that provides for
 7029 operation, maintenance, or management of a common interest
 7030 community ~~condominium~~ association or property serving the unit
 7031 owners of a common interest community ~~condominium~~ shall not be
 7032 in conflict with the powers and duties of the association or the
 7033 rights of the unit owners as provided in this chapter. This
 7034 subsection is intended only as a clarification of existing law.

7035 (4) Any grant or reservation made by a declaration, lease,
 7036 or other document, and any contract made by an association prior
 7037 to assumption of control of the association by unit owners other
 7038 than the developer, shall be fair and reasonable.

7039 (5) It is declared that the public policy of this state
 7040 prohibits the inclusion or enforcement of escalation clauses in
 7041 management contracts for common interest communities
 7042 ~~condominiums~~, and such clauses are hereby declared void for
 7043 public policy. For the purposes of this section, an escalation
 7044 clause is any clause in a common interest community ~~condominium~~
 7045 management contract which provides that the fee under the
 7046 contract shall increase at the same percentage rate as any

7047 nationally recognized and conveniently available commodity or
 7048 consumer price index.

7049 (6) Any action to compel compliance with the provisions of
 7050 this section or of s. 718.301 may be brought pursuant to the
 7051 summary procedure provided for in s. 51.011. In any such action
 7052 brought to compel compliance with the provisions of s. 718.301,
 7053 the prevailing party is entitled to recover reasonable attorney
 7054 ~~attorney's~~ fees.

7055 Section 77. Section 718.3025, Florida Statutes, is amended
 7056 to read:

7057 718.3025 Agreements for operation, maintenance, or
 7058 management of common interest communities ~~condominiums~~; specific
 7059 requirements.—

7060 (1) No written contract between a party contracting to
 7061 provide maintenance or management services and an association
 7062 which contract provides for operation, maintenance, or
 7063 management of a common interest community ~~condominium~~
 7064 association or property serving the unit owners of a common
 7065 interest community ~~condominium~~ shall be valid or enforceable
 7066 unless the contract:

7067 (a) Specifies the services, obligations, and
 7068 responsibilities of the party contracting to provide maintenance
 7069 or management services to the unit owners.

7070 (b) Specifies those costs incurred in the performance of
 7071 those services, obligations, or responsibilities that ~~which~~ are
 7072 to be reimbursed by the association to the party contracting to

7073 provide maintenance or management services.

7074 (c) Provides an indication of how often each service,
7075 obligation, or responsibility is to be performed, whether stated
7076 for each service, obligation, or responsibility or in categories
7077 thereof.

7078 (d) Specifies a minimum number of personnel to be employed
7079 by the party contracting to provide maintenance or management
7080 services for the purpose of providing service to the
7081 association.

7082 (e) Discloses any financial or ownership interest that
7083 ~~which~~ the developer, if the developer is in control of the
7084 association, holds with regard to the party contracting to
7085 provide maintenance or management services.

7086 (f) Discloses any financial or ownership interest a board
7087 member or any party providing maintenance or management services
7088 to the association holds with the contracting party.

7089 (2) In any case that ~~in which~~ the party contracting to
7090 provide maintenance or management services fails to provide such
7091 services in accordance with the contract, the association is
7092 authorized to procure such services from some other party and
7093 shall be entitled to collect any fees or charges paid for
7094 service performed by another party from the party contracting to
7095 provide maintenance or management services.

7096 (3) Any services or obligations not stated on the face of
7097 the contract shall be unenforceable.

7098 (4) Notwithstanding the fact that certain vendors contract

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7099 | with associations to maintain equipment or property that ~~which~~
 7100 | is made available to serve unit owners, it is the intent of the
 7101 | Legislature that this section applies to contracts for
 7102 | maintenance or management services for which the association
 7103 | pays compensation. This section does not apply to contracts for
 7104 | services or property made available for the convenience of unit
 7105 | owners by lessees or licensees of the association, such as coin-
 7106 | operated laundry, food, soft drink, or telephone vendors; cable
 7107 | television operators; retail store operators; businesses;
 7108 | restaurants; or similar vendors.

7109 | Section 78. Section 718.3026, Florida Statutes, is amended
 7110 | to read:

7111 | 718.3026 Contracts for products and services; in writing;
 7112 | bids; exceptions.—Associations with 10 or fewer units may opt
 7113 | out of the provisions of this section if two-thirds of the unit
 7114 | owners vote to do so, that ~~which~~ opt-out may be accomplished by
 7115 | a proxy specifically setting forth the exception from this
 7116 | section.

7117 | (1) All contracts as further described herein or any
 7118 | contract that is not to be fully performed within 1 year after
 7119 | the making thereof, for the purchase, lease, or renting of
 7120 | materials or equipment to be used by the association in
 7121 | accomplishing its purposes under this chapter, and all contracts
 7122 | for the provision of services, shall be in writing. If a
 7123 | contract for the purchase, lease, or renting of materials or
 7124 | equipment, or for the provision of services, requires payment by

7125 the association on behalf of any common interest community
 7126 ~~condominium~~ operated by the association in the aggregate that
 7127 exceeds 5 percent of the total annual budget of the association,
 7128 including reserves, the association shall obtain competitive
 7129 bids for the materials, equipment, or services. Nothing
 7130 contained herein shall be construed to require the association
 7131 to accept the lowest bid.

7132 (2) (a) Notwithstanding the foregoing, contracts with
 7133 employees of the association, and contracts for attorney,
 7134 accountant, architect, community association manager, timeshare
 7135 management firm, engineering, and landscape architect services
 7136 are not subject to the provisions of this section.

7137 (b) Nothing contained herein is intended to limit the
 7138 ability of an association to obtain needed products and services
 7139 in an emergency.

7140 (c) This section shall not apply if the business entity
 7141 that ~~with which~~ the association desires to enter into a contract
 7142 with is the only source of supply within the county serving the
 7143 association.

7144 (d) Nothing contained herein shall excuse a party
 7145 contracting to provide maintenance or management services from
 7146 compliance with s. 718.3025.

7147 (3) As to any contract or other transaction between an
 7148 association and one or more of its directors or any other
 7149 corporation, firm, association, or entity that ~~in which~~ one or
 7150 more of its directors are directors or officers or are

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7151 financially interested:

7152 (a) The association shall comply with the requirements of
7153 s. 617.0832.

7154 (b) The disclosures required by s. 617.0832 shall be
7155 entered into the written minutes of the meeting.

7156 (c) Approval of the contract or other transaction shall
7157 require an affirmative vote of two-thirds of the directors
7158 present.

7159 (d) At the next regular or special meeting of the members,
7160 the existence of the contract or other transaction shall be
7161 disclosed to the members. Upon motion of any member, the
7162 contract or transaction shall be brought up for a vote and may
7163 be canceled by a majority vote of the members present. Should
7164 the members cancel the contract, the association shall only be
7165 liable for the reasonable value of goods and services provided
7166 up to the time of cancellation and shall not be liable for any
7167 termination fee, liquidated damages, or other form of penalty
7168 for such cancellation.

7169 Section 79. Section 718.303, Florida Statutes, is amended
7170 to read:

7171 718.303 Obligations of owners and occupants; remedies.—

7172 (1) Each unit owner, each tenant and other invitee, and
7173 each association is governed by, and must comply with the
7174 provisions of, this chapter, the declaration, the documents
7175 creating the association, and the association bylaws that ~~which~~
7176 shall be deemed expressly incorporated into any lease of a unit.

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7177 Actions for damages or for injunctive relief, or both, for
7178 failure to comply with these provisions may be brought by the
7179 association or by a unit owner against:

7180 (a) The association.

7181 (b) A unit owner.

7182 (c) Directors designated by the developer, for actions
7183 taken by them before control of the association is assumed by
7184 unit owners other than the developer.

7185 (d) Any director who willfully and knowingly fails to
7186 comply with these provisions.

7187 (e) Any tenant leasing a unit, and any other invitee
7188 occupying a unit.

7189

7190 The prevailing party in any such action or in any action in
7191 which the purchaser claims a right of voidability based upon
7192 contractual provisions as required in s. 718.503(1)(a) is
7193 entitled to recover reasonable attorney ~~attorney's~~ fees. A unit
7194 owner prevailing in an action between the association and the
7195 unit owner under this section, in addition to recovering his or
7196 her reasonable attorney ~~attorney's~~ fees, may recover additional
7197 amounts as determined by the court to be necessary to reimburse
7198 the unit owner for his or her share of assessments levied by the
7199 association to fund its expenses of the litigation. This relief
7200 does not exclude other remedies provided by law. Actions arising
7201 under this subsection may not be deemed to be actions for
7202 specific performance.

7203 (2) A provision of this chapter may not be waived if the
7204 waiver would adversely affect the rights of a unit owner or the
7205 purpose of the provision, except that unit owners or members of
7206 a board of administration may waive notice of specific meetings
7207 in writing if provided by the bylaws. Any instruction given in
7208 writing by a unit owner or purchaser to an escrow agent may be
7209 relied upon by an escrow agent, whether or not such instruction
7210 and the payment of funds thereunder might constitute a waiver of
7211 any provision of this chapter.

7212 (3) The association may levy reasonable fines for the
7213 failure of the owner of the unit or its occupant, licensee, or
7214 invitee to comply with any provision of the declaration, the
7215 association bylaws, or reasonable rules of the association. A
7216 fine may not become a lien against a unit. A fine may be levied
7217 by the board on the basis of each day of a continuing violation,
7218 with a single notice and opportunity for hearing before a
7219 committee as provided in paragraph (b). However, the fine may
7220 not exceed \$100 per violation, or \$1,000 in the aggregate.

7221 (a) An association may suspend, for a reasonable period of
7222 time, the right of a unit owner, or a unit owner's tenant,
7223 guest, or invitee, to use the common elements, common
7224 facilities, or any other association property for failure to
7225 comply with any provision of the declaration, the association
7226 bylaws, or reasonable rules of the association. This paragraph
7227 does not apply to limited common elements intended to be used
7228 only by that unit, common elements needed to access the unit,

7229 utility services provided to the unit, parking spaces, or
 7230 elevators.

7231 (b) A fine or suspension levied by the board of
 7232 administration may not be imposed unless the board first
 7233 provides at least 14 days' written notice and an opportunity for
 7234 a hearing to the unit owner and, if applicable, its occupant,
 7235 licensee, or invitee. The hearing must be held before a
 7236 committee of other unit owners who are neither board members nor
 7237 persons residing in a board member's household. The role of the
 7238 committee is limited to determining whether to confirm or reject
 7239 the fine or suspension levied by the board. If the committee
 7240 does not agree, the fine or suspension may not be imposed.

7241 (4) If a unit owner is more than 60 ~~90~~ days delinquent in
 7242 paying a fee, fine, or other monetary obligation due to the
 7243 association, the association may suspend the right of the unit
 7244 owner or the unit's occupant, licensee, or invitee to use common
 7245 elements, common facilities, or any other association property
 7246 until the fee, fine, or other monetary obligation is paid in
 7247 full. This subsection does not apply to limited common elements
 7248 intended to be used only by that unit, common elements needed to
 7249 access the unit, utility services provided to the unit, parking
 7250 spaces, or elevators. The notice and hearing requirements under
 7251 subsection (3) do not apply to suspensions imposed under this
 7252 subsection.

7253 (5) An association may suspend the voting rights of a unit
 7254 or member due to nonpayment of any fee, fine, or other monetary

7255 obligation due to the association that ~~which~~ is more than 60 ~~90~~
7256 days delinquent. A voting interest or consent right allocated to
7257 a unit or member that ~~which~~ has been suspended by the
7258 association shall be subtracted from the total number of voting
7259 interests in the association, which shall be reduced by the
7260 number of suspended voting interests in the association, which
7261 shall be reduced by the number of suspended voting interests
7262 when calculating the total percentage or number of all voting
7263 interests available to take or approve any action, and the
7264 suspended voting interests shall not be considered for any
7265 purpose, including, but not limited to, the percentage or number
7266 of voting interests when calculating the total percentage or
7267 number of all voting interests available to take or approve any
7268 action, and the suspended voting interests shall not be
7269 considered for any purpose, including, but not limited to, the
7270 percentage or number of voting interests necessary to constitute
7271 a quorum, the percentage or number of voting interests required
7272 to conduct an election, or the percentage or number of voting
7273 interests required to approve an action under this chapter or
7274 pursuant to the declaration, articles of incorporation, or
7275 bylaws. The suspension ends upon full payment of all obligations
7276 currently due or overdue the association. The notice and hearing
7277 requirements under subsection (3) do not apply to a suspension
7278 imposed under this subsection.

7279 (6) All fines and suspensions ~~imposed pursuant to~~
7280 ~~subsection (4) or subsection (5)~~ must be approved at a properly

7281 noticed board meeting. Upon approval, the association must
 7282 notify the unit owner and, if applicable, the unit's occupant,
 7283 licensee, or invitee by mail or hand delivery.

7284 (7) The suspensions permitted by paragraph (3)(a) and
 7285 subsections (4) and (5) apply to a member and, when appropriate,
 7286 the member's tenants, guests, or invitees, even if the
 7287 delinquency or failure that resulted in the suspension arose
 7288 from less than all of the multiple units owned by a member.

7289 Section 80. Section 718.401, Florida Statutes, is amended
 7290 to read:

7291 718.401 Leaseholds.—

7292 (1) A common interest community ~~condominium~~ may be created
 7293 on lands held under lease or may include recreational facilities
 7294 or other common elements or commonly used facilities on a
 7295 leasehold if, on the date the first unit is conveyed by the
 7296 developer to a bona fide purchaser, the lease has an unexpired
 7297 term of at least 50 years. However, if the common interest
 7298 community ~~condominium~~ constitutes a nonresidential common
 7299 interest community ~~condominium~~ or commercial common interest
 7300 community ~~condominium~~, or a timeshare common interest community
 7301 ~~condominium~~ created pursuant to chapter 721, the lease shall
 7302 have an unexpired term of at least 30 years. If rent under the
 7303 lease is payable by the association or by the unit owners, the
 7304 lease shall include the following requirements:

7305 (a) The leased land must be identified by a description
 7306 that is sufficient to pass title, and the leased personal

7307 property must be identified by a general description of the
 7308 items of personal property and the approximate number of each
 7309 item of personal property that the developer is committing to
 7310 furnish for each room or other facility. In the alternative, the
 7311 personal property may be identified by a representation as to
 7312 the minimum amount of expenditure that will be made to purchase
 7313 the personal property for the facility. Unless the lease is of a
 7314 unit, the identification of the land shall be supplemented by a
 7315 survey showing the relation of the leased land to the land
 7316 included in the common elements. This provision shall not
 7317 prohibit adding additional land or personal property in
 7318 accordance with the terms of the lease, provided there is no
 7319 increase in rent or material increase in maintenance costs to
 7320 the individual unit owner.

7321 (b) The lease shall not contain a reservation of the right
 7322 of possession or control of the leased property by the lessor or
 7323 any person other than unit owners or the association and shall
 7324 not create rights to possession or use of the leased property in
 7325 any parties other than the association or unit owners of the
 7326 common interest community ~~condominium~~ to be served by the leased
 7327 property, unless the reservations and rights created are
 7328 conspicuously disclosed. Any provision for use of the leased
 7329 property by anyone other than unit owners of the common interest
 7330 community ~~condominium~~ to be served by the leased property shall
 7331 require the other users to pay a fair and reasonable share of
 7332 the maintenance and repair obligations and other exactions due

7333 from users of the leased property.

7334 (c) The lease shall state the minimum number of unit
7335 owners that will be required, directly or indirectly, to pay the
7336 rent under the lease and the maximum number of units that will
7337 be served by the leased property. The limitation of the number
7338 of units to be served shall not preclude enlargement of the
7339 facilities leased and an increase in their capacity, if approved
7340 by the association operating the leased property after unit
7341 owners other than the developer have assumed control of the
7342 association. The provisions of this paragraph do not apply if
7343 the lessor is the Government of the United States or this state
7344 or any political subdivision thereof or any agency of any
7345 political subdivision thereof.

7346 (d)1. In any action by the lessor to enforce a lien for
7347 rent payable or in any action by the association or a unit owner
7348 with respect to the obligations of the lessee or the lessor
7349 under the lease, the unit owner or the association may raise any
7350 issue or interpose any defense, legal or equitable, that he or
7351 she or it may have with respect to the lessor's obligations
7352 under the lease. If the unit owner or the association initiates
7353 any action or interposes any defense other than payment of rent
7354 under the lease, the unit owner or the association shall, upon
7355 service of process upon the lessor, pay into the registry of the
7356 court any allegedly accrued rent and the rent which accrues
7357 during the pendency of the proceeding, when due. If the unit
7358 owner or the association fails to pay the rent into the registry

7359 of the court, the failure constitutes an absolute waiver of the
7360 unit owner's or association's defenses other than payment, and
7361 the lessor is entitled to default. The unit owner or the
7362 association shall notify the lessor of any deposits. When the
7363 unit owner or the association has deposited the required funds
7364 into the registry of the court, the lessor may apply to the
7365 court for disbursement of all or part of the funds shown to be
7366 necessary for the payment of taxes, mortgage payments,
7367 maintenance and operating expenses, and other necessary expenses
7368 incident to maintaining and equipping the leased facilities or
7369 necessary for the payment of other expenses arising out of
7370 personal hardship resulting from the loss of rental income from
7371 the leased facilities. The court, after an evidentiary hearing,
7372 may award all or part of the funds on deposit to the lessor for
7373 such purpose. The court shall require the lessor to post bond or
7374 other security, as a condition to the release of funds from the
7375 registry, when the value of the leased land and improvements,
7376 apart from the lease itself, is inadequate to fully secure the
7377 sum of existing encumbrances on the leased property and the
7378 amounts released from the court registry.

7379 2. When the association or unit owners have deposited
7380 funds into the registry of the court pursuant to this subsection
7381 and the unit owners and association have otherwise complied with
7382 their obligations under the lease or agreement, other than
7383 paying rent into the registry of the court rather than to the
7384 lessor, the lessor cannot hold the association or unit owners in

7385 default on their rental payments nor may the lessor file liens
7386 or initiate foreclosure proceedings against unit owners. If the
7387 lessor, in violation of this subsection, attempts such liens or
7388 foreclosures, then the lessor may be liable for damages plus
7389 attorney ~~attorney's~~ fees and costs that the association or unit
7390 owners incurred in satisfying those liens or foreclosures.

7391 ~~3. Nothing in this paragraph affects litigation commenced~~
7392 ~~prior to October 1, 1979.~~

7393 (e) If the lease is of recreational facilities or other
7394 commonly used facilities that are not completed, rent shall not
7395 commence until some of the facilities are completed. Until all
7396 of the facilities leased are completed, rent shall be prorated
7397 and paid only for the completed facilities in the proportion
7398 that the value of the completed facilities bears to the
7399 estimated value, when completed, of all of the facilities that
7400 are leased. The facilities shall be complete when they have been
7401 constructed, finished, and equipped and are available for use.

7402 (f)1. A lease of recreational or other commonly used
7403 facilities entered into by the association or unit owners prior
7404 to the time when the control of the association is turned over
7405 to unit owners other than the developer shall grant to the
7406 lessee an option to purchase the leased property, payable in
7407 cash, on any anniversary date of the beginning of the lease term
7408 after the 10th anniversary, at a price then determined by
7409 agreement. If there is no agreement as to the price, then the
7410 price shall be determined by arbitration conducted pursuant to

7411 chapter 44 or chapter 682. ~~This paragraph shall be applied to~~
 7412 ~~contracts entered into on, before, or after January 1, 1977,~~
 7413 ~~regardless of the duration of the lease.~~

7414 2. If the lessor wishes to sell his or her interest and
 7415 has received a bona fide offer to purchase it, the lessor shall
 7416 send the association and each unit owner a copy of the executed
 7417 offer. For 90 days following receipt of the offer by the
 7418 association or unit owners, the association or unit owners have
 7419 the option to purchase the interest on the terms and conditions
 7420 in the offer. The option shall be exercised, if at all, by
 7421 notice in writing given to the lessor within the 90-day period.
 7422 If the association or unit owners do not exercise the option,
 7423 the lessor shall have the right, for a period of 60 days after
 7424 the 90-day period has expired, to complete the transaction
 7425 described in the offer to purchase. If for any reason such
 7426 transaction is not concluded within the 60 days, the offer shall
 7427 have been abandoned, and the provisions of this subsection shall
 7428 be reimposed.

7429 3. The option shall be exercised upon approval by owners
 7430 of two-thirds of the units served by the leased property.

7431 4. The provisions of this paragraph do not apply to a
 7432 nonresidential common interest community ~~condominium~~ and do not
 7433 apply if the lessor is the Government of the United States or
 7434 this state or any political subdivision thereof or, in the case
 7435 of an underlying land lease, a person or entity that ~~which~~ is
 7436 not the developer or directly or indirectly owned or controlled

7437 by the developer and did not obtain, directly or indirectly,
7438 ownership of the leased property from the developer.

7439 (g) The lease or a subordination agreement executed by the
7440 lessor must provide either:

7441 ~~1. That any lien which encumbers a unit for rent or other~~
7442 ~~moneys or exactions payable is subordinate to any mortgage held~~
7443 ~~by an institutional lender, or~~

7444 1.2. That, upon the foreclosure of any mortgage held by an
7445 institutional lender or upon delivery of a deed in lieu of
7446 foreclosure, the lien for the unit owner's share of the rent or
7447 other exactions shall not be extinguished but shall be
7448 foreclosed and unenforceable against the mortgagee with respect
7449 to that unit's share of the rent and other exactions that ~~which~~
7450 mature or become due and payable on or before the date of the
7451 final judgment of foreclosure, in the event of foreclosure, or
7452 on or before the date of delivery of the deed in lieu of
7453 foreclosure. The lien may, however, automatically and by
7454 operation of the lease or other instrument, reattach to the unit
7455 and secure the payment of the unit's proportionate share of the
7456 rent or other exactions coming due subsequent to the date of
7457 final decree of foreclosure or the date of delivery of the deed
7458 in lieu of foreclosure.

7459
7460 2. The provisions of this paragraph do not apply if the
7461 lessor is the Government of the United States or this state or
7462 any political subdivision thereof or any agency of any political

7463 subdivision thereof.

7464 ~~(2) Subsection (1) does not apply to residential~~
7465 ~~cooperatives created prior to January 1, 1977, which are~~
7466 ~~converted to condominium ownership by the cooperative unit~~
7467 ~~owners or their association after control of the association has~~
7468 ~~been transferred to the unit owners if, following the~~
7469 ~~conversion, the unit owners will be the same persons who were~~
7470 ~~unit owners of the cooperative and no units are offered for sale~~
7471 ~~or lease to the public as part of the plan of conversion.~~

7472 (2)~~(3)~~ If rent under the lease is a fixed amount for the
7473 full duration of the lease, and the rent thereunder is payable
7474 by a person or persons other than the association or the unit
7475 owners, the division director has the discretion to accept
7476 alternative assurances that ~~which~~ are sufficient to secure the
7477 payment of rent, including, but not limited to, annuities with
7478 an insurance company authorized to do business in this state,
7479 the beneficiary of which shall be the association, or cash
7480 deposits in trust, the beneficiary of which shall be the
7481 association, the ~~which~~ deposit shall be in an amount sufficient
7482 to generate interest sufficient to meet lease payments as they
7483 occur. If alternative assurances are accepted by the division
7484 director, the following provisions are applicable:

7485 (a) Disclosures contemplated by paragraph (1)(b), if not
7486 contained within the lease, may be made by the developer.

7487 (b) Disclosures as to the minimum number of unit owners
7488 that will be required, directly or indirectly, to pay the rent

7489 | under the lease and the maximum number of units that will be
 7490 | served by the leased property, if not contained in the lease,
 7491 | may be stated by the developer.

7492 | (c) The provisions of paragraphs (1)(d) and (e) apply but
 7493 | are not required to be stated in the lease.

7494 | (d) The provisions of paragraph (1)(g) do not apply.

7495 | Section 81. Section 718.4015, Florida Statutes, is amended
 7496 | to read:

7497 | 718.4015 Common interest community ~~Condominium~~ leases;
 7498 | escalation clauses.—

7499 | (1) It is declared that the public policy of this state
 7500 | prohibits the inclusion or enforcement of escalation clauses in
 7501 | land leases or other leases or agreements for recreational
 7502 | facilities, land, or other commonly used facilities serving
 7503 | residential common interest communities ~~condominiums~~, and such
 7504 | clauses are hereby declared void for public policy. For the
 7505 | purposes of this section, an escalation clause is any clause in
 7506 | a common interest community ~~condominium~~ lease or agreement that
 7507 | ~~which~~ provides that the rental under the lease or agreement
 7508 | shall increase at the same percentage rate as any nationally
 7509 | recognized and conveniently available commodity or consumer
 7510 | price index.

7511 | (2) This public policy prohibits the inclusion or
 7512 | enforcement of such escalation clauses in leases related to
 7513 | common interest communities if ~~condominiums for which~~ the
 7514 | declaration of common interest community ~~condominium~~ was

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7515 recorded on or after June 4, 1975; it prohibits the enforcement
7516 of escalation clauses in leases related to common interest
7517 communities if ~~condominiums for which~~ the declaration of common
7518 interest community ~~condominium~~ was recorded prior to June 4,
7519 1975, but which have been refused enforcement on the grounds
7520 that the parties agreed to be bound by subsequent amendments to
7521 the Florida Statutes or that ~~which~~ have been found to be void
7522 because of a finding that such lease is unconscionable or that
7523 ~~which~~ have been refused enforcement on the basis of the
7524 application of former s. 711.231 or former s. 718.401(8); and it
7525 prohibits any further escalation of rental fees after October 1,
7526 1988, pursuant to escalation clauses in leases related to common
7527 interest communities if ~~condominiums for which~~ the declaration
7528 was recorded prior to June 4, 1975.

7529 (3) The provisions of this section do not apply if the
7530 lessor is the Government of the United States or this state or
7531 any political subdivision thereof or any agency of any political
7532 subdivision thereof.

7533 Section 82. Section 718.402, Florida Statutes, is amended
7534 to read:

7535 718.402 Conversion of existing improvements to common
7536 interest community ~~condominium~~.—A developer may create a common
7537 interest community ~~condominium~~ by converting existing,
7538 previously occupied improvements to such ownership by complying
7539 with part I of this chapter. A developer of a residential common
7540 interest community ~~condominium~~ must also comply with part VI of

7541 this chapter, but the failure to comply will not affect the
 7542 validity of the common interest community ~~condominium~~.

7543 Section 83. Section 718.403, Florida Statutes, is amended
 7544 to read:

7545 718.403 Phase common interest communities ~~condominiums~~.—

7546 (1) Notwithstanding the provisions of s. 718.110, a
 7547 developer may develop a common interest community ~~condominium~~ in
 7548 phases, if the original documents ~~declaration~~ of a common
 7549 interest community ~~condominium~~ submitting the initial phase to
 7550 common interest community ~~condominium~~ ownership or an amendment
 7551 to the declaration ~~which has been~~ approved by all of the unit
 7552 owners and unit mortgagees provides for and describes in detail
 7553 all anticipated phases; the impact, if any, that ~~which~~ the
 7554 completion of subsequent phases would have upon the initial
 7555 phase; and the time period within ~~which~~ all phases must be added
 7556 to the common interest community ~~condominium~~ and comply with the
 7557 requirements of this section and at the end of which the right
 7558 to add additional phases expires.

7559 (a) All phases must be added to the common interest
 7560 community ~~condominium~~ within 7 years after the date of the
 7561 recording of the certificate of a surveyor and mapper pursuant
 7562 to s. 718.104(6) ~~718.104(4)(e)~~ or the recording of an instrument
 7563 that transfers title to a unit in the common interest community
 7564 that ~~condominium~~ ~~which~~ is not accompanied by a recorded
 7565 assignment of developer rights in favor of the grantee of such
 7566 unit, whichever occurs first, unless the unit owners vote to

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7567 approve an amendment extending the 7-year period pursuant to
 7568 paragraph (b).

7569 (b) An amendment to extend the 7-year period shall require
 7570 the approval of the owners necessary to amend the common
 7571 interest community documents ~~declaration of condominium~~ pursuant
 7572 to s. 718.110(1) ~~718.110(1)(a)~~. An extension of the 7-year
 7573 period may be submitted for approval only during the last 3
 7574 years of the 7-year period.

7575 (c) An amendment must describe the time period within
 7576 which all phases must be added to the common interest community
 7577 ~~condominium~~, and such time period may not exceed 10 years from
 7578 the date of the recording of the certificate of a surveyor and
 7579 mapper pursuant to s. 718.104(6) ~~718.104(4)(e)~~ or the recording
 7580 of an instrument that transfers title to a unit in the common
 7581 interest community ~~condominium~~ which is not accompanied by a
 7582 recorded assignment of developer rights in favor of the grantee
 7583 of such unit, whichever occurs first.

7584 (d) An amendment that extends the 7-year period pursuant
 7585 to this section is not subject to the requirements of s.
 7586 718.110(4).

7587 (2) The original declaration of common interest community
 7588 ~~condominium~~, or an amendment to the declaration that, ~~which~~
 7589 ~~amendment~~ has been approved by all unit owners and unit
 7590 mortgagees and the developer, shall describe:

7591 (a) The land that ~~which~~ may become part of the common
 7592 interest community ~~condominium~~ and the land that ~~on which~~ each

7593 phase is to be built on. The descriptions shall include metes
7594 and bounds or other legal descriptions of the land for each
7595 phase, plot plans, and surveys. Plot plans, attached as an
7596 exhibit, must show the approximate location of all existing and
7597 proposed buildings and improvements that may ultimately be
7598 contained within the common interest community ~~condominium~~. The
7599 plot plan may be modified by the developer as to unit or
7600 building types but, in a residential common interest community
7601 ~~condominium~~, only to the extent that such changes are described
7602 in the declaration. If provided in the declaration, the
7603 developer may make nonmaterial changes in the legal description
7604 of a phase.

7605 (b) The minimum and maximum numbers and general size of
7606 units to be included in each phase. The general size may be
7607 expressed in terms of minimum and maximum square feet. In
7608 stating the minimum and maximum numbers of units, the difference
7609 between the minimum and maximum numbers shall not be greater
7610 than 20 percent of the maximum.

7611 (c) Each unit's percentage of ownership in the common
7612 elements as each phase is added. In lieu of describing specific
7613 percentages, the declaration or amendment may describe a formula
7614 for reallocating each unit's proportion or percentage of
7615 ownership in the common elements and manner of sharing common
7616 expenses and owning common surplus as additional units are added
7617 to the common interest community ~~condominium~~ by the addition of
7618 any land. The basis for allocating percentage of ownership among

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7619 units in added phases shall be consistent with the basis for
7620 allocation made among the units originally in the common
7621 interest community ~~condominium~~.

7622 (d) The recreational areas and facilities that ~~which~~ will
7623 be owned as common elements by all unit owners and all personal
7624 property to be provided as each phase is added to the common
7625 interest community ~~condominium~~ and those facilities or areas
7626 that ~~which~~ may not be built or provided if any phase or phases
7627 are not developed and added as a part of the common interest
7628 community ~~condominium~~. The developer may reserve the right to
7629 add additional common-element recreational facilities if the
7630 original declaration contains a description of each type of
7631 facility and its proposed location. The declaration shall set
7632 forth the circumstances under which such facilities will be
7633 added.

7634 (e) The membership vote and ownership in the association
7635 attributable to each unit in each phase and the results if any
7636 phase or phases are not developed and added as a part of the
7637 common interest community ~~condominium~~.

7638 (f) Whether or not timeshare estates will or may be
7639 created with respect to units in any phase and, if so, the
7640 degree, quantity, nature, and extent of such estates, specifying
7641 the minimum duration of the recurring periods of rights of use,
7642 possession, or occupancy that may be established with respect to
7643 any unit.

7644 (3) The developer shall notify owners of existing units of

7645 the decision not to add one or more additional phases. Notice
7646 shall be by first-class mail addressed to each owner at the
7647 address of his or her unit or at his or her last known address.

7648 (4) If one or more phases are not built, the units that
7649 ~~which~~ are built are entitled to 100 percent ownership of all
7650 common elements within the phases actually developed and added
7651 as a part of the common interest community ~~condominium~~.

7652 (5) If the declaration requires the developer to convey
7653 any additional lands or facilities to the common interest
7654 community ~~condominium~~ after the completion of the first phase
7655 and he or she fails to do so within the time specified, or
7656 within a reasonable time if none is specified, then any owner of
7657 a unit or the association may enforce such obligations against
7658 the developer or bring an action against the developer for
7659 damages caused by the developer's failure to convey to the
7660 association such additional lands or facilities.

7661 (6) Notwithstanding other provisions of this chapter, any
7662 amendment by the developer that ~~which~~ adds any land to the
7663 common interest community ~~condominium~~ shall be consistent with
7664 the provisions of the declaration granting such right and shall
7665 contain or provide for the following matters:

7666 (a) A statement submitting the additional land to common
7667 interest community ~~condominium~~ ownership as an addition to the
7668 common interest community ~~condominium~~.

7669 (b) The legal description of the land being added to the
7670 common interest community ~~condominium~~.

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7671 (c) ~~An~~ Identification by letter, name, or number, or a
7672 combination thereof, of each unit within the land added to the
7673 common interest community condominium, to ensure that no unit in
7674 the common interest community condominium, including the
7675 additional land, will bear the same designation as any other
7676 unit.

7677 (d) A survey of the additional land and a graphic
7678 description of the improvements in which any units are located
7679 and a plot plan thereof and a certificate of a surveyor, in
7680 conformance with s. 718.104(6) ~~718.104(4)(e)~~.

7681 (e) The undivided share in the common elements appurtenant
7682 to each unit in the common interest community condominium,
7683 stated as a percentage or fraction that ~~which~~, in the aggregate,
7684 must equal the whole and must be determined in conformance with
7685 the manner of allocation set forth in the original declaration
7686 of common interest community condominium.

7687 (f) The proportion or percentage of, and the manner of
7688 sharing, common expenses and owning common surplus, that ~~which~~
7689 for a residential unit must be the same as the undivided share
7690 in the common elements.

7691 (7) An amendment which adds phases to a common interest
7692 community condominium does not require the execution of such
7693 amendment or consent thereto by unit owners other than the
7694 developer, unless the amendment permits the creation of
7695 timeshare estates in any unit of the additional phase of the
7696 common interest community condominium and such creation is not

7697 authorized by the original declaration.

7698 (8)-(7) An amendment to the declaration of common interest
 7699 community that ~~condominium which~~ adds land to the common
 7700 interest community ~~condominium~~ shall be recorded in the public
 7701 records of the county where the land is located and shall be
 7702 executed and acknowledged in compliance with the same
 7703 requirements as for a deed. All persons who have record title to
 7704 the interest in the land submitted to common interest community
 7705 ~~condominium~~ ownership, or their lawfully authorized agents, must
 7706 join in the execution of the amendment. Every such amendment
 7707 shall comply with the provisions of s. 718.104(3).

7708 (9)-(8) Upon recording the declaration of common interest
 7709 community ~~condominium~~ or amendments adding phases pursuant to
 7710 this section, the developer shall file the recording information
 7711 with the division within 120 calendar days on a form prescribed
 7712 by the division.

7713 (10)-(9) Paragraphs (2)(b)-(f) and subsection (9) ~~(8)~~ do
 7714 not apply to nonresidential common interest communities
 7715 ~~condominiums~~.

7716 Section 84. Section 718.404, Florida Statutes, is amended
 7717 to read:

7718 718.404 Mixed-use common interest communities
 7719 ~~condominiums~~.—When a common interest community ~~condominium~~
 7720 consists of both residential and commercial units, the following
 7721 provisions shall apply:

7722 (1) The common interest community ~~condominium~~ documents

7723 shall not provide that the owner of any commercial unit shall
 7724 have the authority to veto amendments to the declaration,
 7725 articles of incorporation, bylaws, or rules or regulations of
 7726 the association. This subsection shall apply retroactively as a
 7727 remedial measure.

7728 (2) Subject to s. 718.301, where the number of residential
 7729 units in the common interest community ~~condominium~~ equals or
 7730 exceeds 50 percent of the total units operated by the
 7731 association, owners of the residential units shall be entitled
 7732 to vote for a majority of the seats on the board of
 7733 administration. This subsection shall apply retroactively as a
 7734 remedial measure.

7735 (3) In the declaration of common interest community
 7736 ~~condominium~~ for mixed-use common interest communities
 7737 ~~condominiums~~ created after January 1, 1996, the ownership share
 7738 of the common elements assigned to each unit shall be based
 7739 either on the total square footage of each unit in uniform
 7740 relationship to the total square footage of each other unit in
 7741 the common interest community ~~condominium~~ or on an equal
 7742 fractional basis.

7743 (4) The provisions of this section shall not apply to
 7744 timeshare common interest communities ~~condominiums~~.

7745 Section 85. Section 718.405, Florida Statutes, is amended
 7746 to read:

7747 718.405 Multi-common interest communities
 7748 ~~Multicondominiums~~; multi-common interest community

7749 ~~multicondominium~~ associations.—

7750 (1) An association may operate more than one common
 7751 interest community condominium. For multi-common interest
 7752 communities multicondominiums created on or after July 1, 2000,
 7753 the declaration for each common interest community condominium
 7754 to be operated by that association must provide for
 7755 participation in a multi-common interest community
 7756 ~~multicondominium~~, in conformity with this section, and disclose
 7757 or describe:

7758 (a) The manner or formula by which the assets,
 7759 liabilities, common surplus, and common expenses of the
 7760 association will be apportioned among the units within the
 7761 common interest communities condominiums operated by the
 7762 association, in accordance with s. 718.104(6) ~~718.104(4)(g) or~~
 7763 ~~(h), as applicable.~~

7764 (b) Whether unit owners in any other common interest
 7765 community condominium, or any other persons, will or may have
 7766 the right to use recreational areas or any other facilities or
 7767 amenities that are common elements of the common interest
 7768 community condominium, and, if so, the specific formula by which
 7769 the other users will share the common expenses related to those
 7770 facilities or amenities.

7771 (c) Recreational and other commonly used facilities or
 7772 amenities that ~~which~~ the developer has committed to provide that
 7773 will be owned, leased by, or dedicated by a recorded plat to the
 7774 association but that ~~which~~ are not included within any common

7775 interest community ~~condominium~~ operated by the association. The
7776 developer may reserve the right to add additional facilities or
7777 amenities if the declaration and prospectus for each common
7778 interest community ~~condominium~~ to be operated by the association
7779 contains the following statement in conspicuous type and in
7780 substantially the following form: RECREATIONAL FACILITIES MAY BE
7781 EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS OR THE
7782 ASSOCIATION.

7783 (d) The voting rights of the unit owners in the election
7784 of directors and in other multi-common interest community
7785 ~~multicondominium~~ association affairs when a vote of the owners
7786 is taken, including, but not limited to, a statement as to
7787 whether each unit owner will have a right to personally cast his
7788 or her own vote in all matters voted upon.

7789 (2) If any declaration requires a developer to convey
7790 additional lands or facilities to a multi-common interest
7791 community ~~multicondominium~~ association and the developer fails
7792 to do so within the time specified, or within a reasonable time
7793 if none is specified in the declaration, any unit owner or the
7794 association may enforce that obligation against the developer or
7795 bring an action against the developer for specific performance
7796 or for damages that result from the developer's failure or
7797 refusal to convey the additional lands or facilities.

7798 (3) The declaration for each common interest community
7799 ~~condominium~~ to be operated by a multi-common interest community
7800 ~~multicondominium~~ association may not, at the time of the initial

7801 recording of the declaration, contain any provision with respect
 7802 to allocation of the association's assets, liabilities, common
 7803 surplus, or common expenses which is inconsistent with this
 7804 chapter or the provisions of a declaration for any other common
 7805 interest community ~~condominium~~ then being operated by the multi-
 7806 common interest community ~~multicondominium~~ association.

7807 (4) This section does not prevent or restrict the
 7808 formation of a multi-common interest community ~~multicondominium~~
 7809 by the merger or consolidation of two or more common interest
 7810 community ~~condominium~~ associations. Mergers or consolidations of
 7811 associations shall be accomplished in accordance with this
 7812 chapter, the declarations of the common interest communities
 7813 ~~condominiums~~ being merged or consolidated, and chapter 617.
 7814 Section 718.110(4) does not apply to amendments to documents
 7815 ~~declarations~~ necessary to effect a merger or consolidation. This
 7816 section is intended to clarify existing law and applies to
 7817 associations existing on the effective date of this act.

7818 Section 86. Section 718.406, Florida Statutes, is amended
 7819 to read:

7820 718.406 Common interest communities ~~condominiums~~ created
 7821 within common interest community ~~condominium~~ parcels.-

7822 (1) Unless otherwise expressed in the declaration of
 7823 common interest community ~~condominium~~, if a common interest
 7824 community ~~condominium~~ is created within a common interest
 7825 community ~~condominium~~ parcel, the term:

7826 (a) "Primary common interest community ~~condominium~~" means

7827 any common interest community ~~econdominium~~ that is not a
7828 secondary common interest community ~~econdominium~~ and contains one
7829 or more subdivided parcels.

7830 (b) "Primary common interest community ~~econdominium~~
7831 association" means any entity that operates a primary common
7832 interest community ~~econdominium~~.

7833 (c) "Primary common interest community ~~econdominium~~
7834 declaration" means the instrument or instruments by which a
7835 primary common interest community ~~econdominium~~ is created, as
7836 they are from time to time amended.

7837 (d) "Secondary common interest community ~~econdominium~~"
7838 means one or more common interest community ~~econdominium~~ parcels
7839 that have been submitted to common interest community
7840 ~~econdominium~~ ownership pursuant to a secondary common interest
7841 community ~~econdominium~~ declaration.

7842 (e) "Secondary common interest community ~~econdominium~~
7843 association" means any entity responsible for the operation of a
7844 secondary common interest community ~~econdominium~~.

7845 (f) "Secondary common interest community ~~econdominium~~
7846 declaration" means the instrument or instruments by which a
7847 secondary common interest community ~~econdominium~~ is created, as
7848 they are from time to time amended.

7849 (g) "Secondary unit" means a unit that is part of a
7850 secondary common interest community ~~econdominium~~.

7851 (h) "Subdivided parcel" means a common interest community
7852 ~~econdominium~~ parcel in a primary common interest community

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7853 ~~condominium~~ that has been submitted to common interest community
7854 ~~condominium~~ ownership pursuant to a secondary common interest
7855 community ~~condominium~~ declaration.

7856 (2) Unless otherwise provided in the primary common
7857 interest community ~~condominium~~ declaration, if a common interest
7858 community ~~condominium~~ parcel is a subdivided parcel, the
7859 secondary common interest community ~~condominium~~ association
7860 responsible for operating the secondary common interest
7861 community ~~condominium~~ upon the subdivided parcel shall act on
7862 behalf of all of the unit owners of secondary units in the
7863 secondary common interest community ~~condominium~~ and shall
7864 exercise all rights of the secondary unit owners in the primary
7865 common interest community ~~condominium~~ association, other than
7866 the right of possession of the secondary unit. The secondary
7867 common interest community ~~condominium~~ association shall
7868 designate a representative who shall cast the vote of the
7869 subdivided parcel in the primary common interest community
7870 ~~condominium~~ association and, if no person is designated by the
7871 secondary common interest community ~~condominium~~ association to
7872 cast such vote, the vote shall be cast by the president of the
7873 secondary common interest community ~~condominium~~ association or
7874 the designee of the president.

7875 (3) Unless otherwise provided in the primary common
7876 interest community ~~condominium~~ declaration as originally
7877 recorded, no secondary common interest community ~~condominium~~ may
7878 be created upon any common interest community ~~condominium~~ parcel

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7879 in the primary common interest community ~~econdominium~~, and no
7880 amendment to the primary common interest community ~~econdominium~~
7881 declaration may permit secondary common interest communities
7882 ~~econdominiums~~ to be created upon parcels in the primary common
7883 interest community ~~econdominium~~, unless the record owners of a
7884 majority of the common interest community ~~econdominium~~ parcels
7885 join in the execution of the amendment.

7886 (4) If the primary common interest community ~~econdominium~~
7887 declaration permits the creation of a secondary common interest
7888 community ~~econdominium~~ and a common interest community
7889 ~~econdominium~~ parcel in the primary common interest community
7890 ~~econdominium~~ is being submitted for common interest community
7891 ~~econdominium~~ ownership to create a secondary common interest
7892 community ~~econdominium~~ upon the primary common interest community
7893 ~~econdominium~~ parcel, the approval of the board of administration
7894 of the primary common interest community ~~econdominium~~ association
7895 is required in order to create the secondary common interest
7896 community ~~econdominium~~ on the primary common interest community
7897 ~~econdominium~~ parcel. Unless otherwise provided in the primary
7898 common interest community ~~econdominium~~ declaration, the owners of
7899 common interest community ~~econdominium~~ parcels in the primary
7900 common interest community ~~econdominium~~ that will not be part of
7901 the proposed secondary common interest community ~~econdominium~~ and
7902 the holders of liens upon such primary common interest community
7903 ~~econdominium~~ parcels shall not have approval rights regarding the
7904 creation of the secondary common interest community ~~econdominium~~

7905 or the contents of the secondary common interest community
 7906 ~~condominium~~ declaration being submitted. Only the board of
 7907 administration of the primary common interest community
 7908 ~~condominium~~ association, the owner of the subdivided parcel, and
 7909 the holders of liens upon the subdivided parcel shall have
 7910 approval rights regarding the creation of the secondary common
 7911 interest community ~~condominium~~ and the contents of the secondary
 7912 common interest community ~~condominium~~ declaration. In order for
 7913 the recording of the secondary common interest community
 7914 ~~condominium~~ declaration to be effective to create the secondary
 7915 common interest community ~~condominium~~, the board of
 7916 administration of the primary common interest community
 7917 ~~condominium~~ association, the owner of the subdivided parcel, and
 7918 all holders of liens on the subdivided parcel must execute the
 7919 secondary common interest community ~~condominium~~ declaration for
 7920 the purpose of evidencing their approval.

7921 (5) An owner of a secondary unit is subject to both the
 7922 primary common interest community ~~condominium~~ declaration and
 7923 the secondary common interest community ~~condominium~~ declaration.

7924 (6) The primary common interest community ~~condominium~~
 7925 association may provide insurance required by s. 718.111(11) for
 7926 common elements and other improvements within the secondary
 7927 common interest community ~~condominium~~ if the primary common
 7928 interest community ~~condominium~~ declaration permits the primary
 7929 common interest community ~~condominium~~ association to provide
 7930 such insurance for the benefit of the common interest community

7931 ~~econdominium~~ property included in the subdivided parcel, in lieu
7932 of such insurance being provided by the secondary common
7933 interest community ~~econdominium~~ association.

7934 (7) Unless otherwise provided in the primary common
7935 interest community ~~econdominium~~ declaration, the board of
7936 administration of the primary common interest community
7937 ~~econdominium~~ association may adopt hurricane shutter or hurricane
7938 protection specifications for each building within which
7939 subdivided parcels are located and govern any subdivided parcels
7940 in the primary common interest community ~~econdominium~~.

7941 (8) Any unit owner of, or holder of a first mortgage on, a
7942 secondary unit may register such unit owner's or mortgagee's
7943 interest in the secondary unit with the primary common interest
7944 community ~~econdominium~~ association by delivering written notice
7945 to the primary common interest community ~~econdominium~~
7946 association. Once registered, the primary common interest
7947 community ~~econdominium~~ association must provide written notice to
7948 such secondary unit owner and his, her, or its first mortgagee
7949 at least 30 days before instituting any foreclosure action
7950 against the subdivided parcel in which the secondary unit owner
7951 and his, her, or its first mortgagee hold an interest for
7952 failure of the subdivided parcel owner to pay any assessments or
7953 other amounts due to the primary common interest community
7954 ~~econdominium~~ association. A foreclosure action against a
7955 subdivided parcel is not effective without an affidavit
7956 indicating that written notice of the foreclosure was timely

7957 sent to the names and addresses of secondary unit owners and
 7958 first mortgagees registered with the primary common interest
 7959 community condominium association pursuant to this subsection.
 7960 The registered secondary unit owner or mortgagee has a right to
 7961 pay the proportionate amount of the delinquent assessment
 7962 attributable to the secondary unit in which the registered unit
 7963 owner or mortgagee holds an interest. Upon such payment, the
 7964 primary common interest community condominium association is
 7965 obligated to promptly modify or partially release the record of
 7966 lien on the primary common interest community condominium
 7967 association so that the lien no longer encumbers such secondary
 7968 unit. Alternatively, a registered secondary unit owner or
 7969 mortgagee may pay the amount of all delinquent assessments
 7970 attributed to the subdivided parcel and seek reimbursement for
 7971 all such amounts paid and all costs incurred from the secondary
 7972 common interest community condominium association, including,
 7973 without limitation, the costs of collection other than the share
 7974 allocable to the secondary unit on behalf of which such payment
 7975 was made.

7976 (9) In the event of a conflict between the primary common
 7977 interest community condominium declaration and the secondary
 7978 common interest community condominium declaration, the primary
 7979 common interest community condominium declaration controls.

7980 (10) All common expenses due to the primary common
 7981 interest community condominium association with respect to a
 7982 subdivided parcel are a common expense of the secondary common

7983 interest community ~~condominium~~ association and shall be
 7984 collected by the secondary common interest community ~~condominium~~
 7985 association from its members and paid to the primary common
 7986 interest community ~~condominium~~ association.

7987 Section 87. Section 718.501, Florida Statutes, is amended
 7988 to read:

7989 718.501 Authority, responsibility, and duties of Division
 7990 of Common Interest Communities ~~Florida Condominiums, Timeshares,~~
 7991 ~~and Mobile Homes.~~-

7992 (1) The division may enforce and ensure compliance with
 7993 the provisions of this chapter and rules relating to the
 7994 development, construction, sale, lease, ownership, operation,
 7995 and management of residential common interest community
 7996 ~~condominium~~ units. In performing its duties, the division has
 7997 complete jurisdiction to investigate complaints and enforce
 7998 compliance with respect to associations that are still under
 7999 developer control or the control of a bulk assignee or bulk
 8000 buyer pursuant to part VII of this chapter and complaints
 8001 against developers, bulk assignees, or bulk buyers involving
 8002 improper turnover or failure to turnover, pursuant to s.
 8003 718.301. However, after turnover has occurred, the division has
 8004 jurisdiction to investigate complaints related only to financial
 8005 issues, elections, and unit owner access to association records
 8006 pursuant to s. 718.111(12).

8007 (a)1. The division may make necessary public or private
 8008 investigations within or outside this state to determine whether

8009 any person has violated this chapter or any rule or order
8010 hereunder, to aid in the enforcement of this chapter, or to aid
8011 in the adoption of rules or forms.

8012 2. The division may submit any official written report,
8013 worksheet, or other related paper, or a duly certified copy
8014 thereof, compiled, prepared, drafted, or otherwise made by and
8015 duly authenticated by a financial examiner or analyst to be
8016 admitted as competent evidence in any hearing in which the
8017 financial examiner or analyst is available for cross-examination
8018 and attests under oath that such documents were prepared as a
8019 result of an examination or inspection conducted pursuant to
8020 this chapter.

8021 (b) The division may require or permit any person to file
8022 a statement in writing, under oath or otherwise, as the division
8023 determines, as to the facts and circumstances concerning a
8024 matter to be investigated.

8025 (c) For the purpose of any investigation under this
8026 chapter, the division director or any officer or employee
8027 designated by the division director may administer oaths or
8028 affirmations, subpoena witnesses and compel their attendance,
8029 take evidence, and require the production of any matter which is
8030 relevant to the investigation, including the existence,
8031 description, nature, custody, condition, and location of any
8032 books, documents, or other tangible things and the identity and
8033 location of persons having knowledge of relevant facts or any
8034 other matter reasonably calculated to lead to the discovery of

8035 material evidence. Upon the failure by a person to obey a
8036 subpoena or to answer questions propounded by the investigating
8037 officer and upon reasonable notice to all affected persons, the
8038 division may apply to the circuit court for an order compelling
8039 compliance.

8040 (d) Notwithstanding any remedies available to unit owners
8041 and associations, if the division has reasonable cause to
8042 believe that a violation of any provision of this chapter or
8043 related rule has occurred, the division may institute
8044 enforcement proceedings in its own name against any developer,
8045 bulk assignee, bulk buyer, association, officer, or member of
8046 the board of administration, or its assignees or agents, as
8047 follows:

8048 1. The division may permit a person whose conduct or
8049 actions may be under investigation to waive formal proceedings
8050 and enter into a consent proceeding whereby orders, rules, or
8051 letters of censure or warning, whether formal or informal, may
8052 be entered against the person.

8053 2. The division may issue an order requiring the
8054 developer, bulk assignee, bulk buyer, association, developer-
8055 designated officer, or developer-designated member of the board
8056 of administration, developer-designated assignees or agents,
8057 bulk assignee-designated assignees or agents, bulk buyer-
8058 designated assignees or agents, community association manager,
8059 or community association management firm to cease and desist
8060 from the unlawful practice and take such affirmative action as

8061 in the judgment of the division carry out the purposes of this
8062 chapter. If the division finds that a developer, bulk assignee,
8063 bulk buyer, association, officer, or member of the board of
8064 administration, or its assignees or agents, is violating or is
8065 about to violate any provision of this chapter, any rule adopted
8066 or order issued by the division, or any written agreement
8067 entered into with the division, and presents an immediate danger
8068 to the public requiring an immediate final order, it may issue
8069 an emergency cease and desist order reciting with particularity
8070 the facts underlying such findings. The emergency cease and
8071 desist order is effective for 90 days. If the division begins
8072 nonemergency cease and desist proceedings, the emergency cease
8073 and desist order remains effective until the conclusion of the
8074 proceedings under ss. 120.569 and 120.57.

8075 3. If a developer, bulk assignee, or bulk buyer, fails to
8076 pay any restitution determined by the division to be owed, plus
8077 any accrued interest at the highest rate permitted by law,
8078 within 30 days after expiration of any appellate time period of
8079 a final order requiring payment of restitution or the conclusion
8080 of any appeal thereof, whichever is later, the division must
8081 bring an action in circuit or county court on behalf of any
8082 association, class of unit owners, lessees, or purchasers for
8083 restitution, declaratory relief, injunctive relief, or any other
8084 available remedy. The division may also temporarily revoke its
8085 acceptance of the filing for the developer to which the
8086 restitution relates until payment of restitution is made.

8087 4. The division may petition the court for appointment of
8088 a receiver or conservator. If appointed, the receiver or
8089 conservator may take action to implement the court order to
8090 ensure the performance of the order and to remedy any breach
8091 thereof. In addition to all other means provided by law for the
8092 enforcement of an injunction or temporary restraining order, the
8093 circuit court may impound or sequester the property of a party
8094 defendant, including books, papers, documents, and related
8095 records, and allow the examination and use of the property by
8096 the division and a court-appointed receiver or conservator.

8097 5. The division may apply to the circuit court for an
8098 order of restitution whereby the defendant in an action brought
8099 pursuant to subparagraph 4. is ordered to make restitution of
8100 those sums shown by the division to have been obtained by the
8101 defendant in violation of this chapter. At the option of the
8102 court, such restitution is payable to the conservator or
8103 receiver appointed pursuant to subparagraph 4. or directly to
8104 the persons whose funds or assets were obtained in violation of
8105 this chapter.

8106 6. The division may impose a civil penalty against a
8107 developer, bulk assignee, or bulk buyer, or association, or its
8108 assignee or agent, for any violation of this chapter or related
8109 rule. The division may impose a civil penalty individually
8110 against an officer or board member who willfully and knowingly
8111 violates a provision of this chapter, adopted rule, or a final
8112 order of the division; may order the removal of such individual

8113 as an officer or from the board of administration or as an
8114 officer of the association; and may prohibit such individual
8115 from serving as an officer or on the board of a community
8116 association for a period of time. The term "willfully and
8117 knowingly" means that the division informed the officer or board
8118 member that his or her action or intended action violates this
8119 chapter, a rule adopted under this chapter, or a final order of
8120 the division and that the officer or board member refused to
8121 comply with the requirements of this chapter, a rule adopted
8122 under this chapter, or a final order of the division. The
8123 division, before initiating formal agency action under chapter
8124 120, must afford the officer or board member an opportunity to
8125 voluntarily comply, and an officer or board member who complies
8126 within 10 days is not subject to a civil penalty. A penalty may
8127 be imposed on the basis of each day of continuing violation, but
8128 the penalty for any offense may not exceed \$5,000. By January 1,
8129 1998, the division shall adopt, by rule, penalty guidelines
8130 applicable to possible violations or to categories of violations
8131 of this chapter or rules adopted by the division. The guidelines
8132 must specify a meaningful range of civil penalties for each such
8133 violation of the statute and rules and must be based upon the
8134 harm caused by the violation, the repetition of the violation,
8135 and upon such other factors deemed relevant by the division. For
8136 example, the division may consider whether the violations were
8137 committed by a developer, bulk assignee, or bulk buyer, or
8138 owner-controlled association, the size of the association, and

8139 other factors. The guidelines must designate the possible
 8140 mitigating or aggravating circumstances that justify a departure
 8141 from the range of penalties provided by the rules. It is the
 8142 legislative intent that minor violations be distinguished from
 8143 those which endanger the health, safety, or welfare of the
 8144 common interest community ~~condominium~~ residents or other persons
 8145 and that such guidelines provide reasonable and meaningful
 8146 notice to the public of likely penalties that may be imposed for
 8147 proscribed conduct. This subsection does not limit the ability
 8148 of the division to informally dispose of administrative actions
 8149 or complaints by stipulation, agreed settlement, or consent
 8150 order. All amounts collected shall be deposited with the Chief
 8151 Financial Officer to the credit of the Division of Common
 8152 Interest Communities ~~Florida Condominiums, Timeshares, and~~
 8153 ~~Mobile Homes~~ Trust Fund. If a developer, bulk assignee, or bulk
 8154 buyer fails to pay the civil penalty and the amount deemed to be
 8155 owed to the association, the division shall issue an order
 8156 directing that such developer, bulk assignee, or bulk buyer
 8157 cease and desist from further operation until such time as the
 8158 civil penalty is paid or may pursue enforcement of the penalty
 8159 in a court of competent jurisdiction. If an association fails to
 8160 pay the civil penalty, the division shall pursue enforcement in
 8161 a court of competent jurisdiction, and the order imposing the
 8162 civil penalty or the cease and desist order is not effective
 8163 until 20 days after the date of such order. Any action commenced
 8164 by the division shall be brought in the county in which the

8165 | division has its executive offices or in the county where the
 8166 | violation occurred.

8167 | 7. If a unit owner presents the division with proof that
 8168 | the unit owner has requested access to official records in
 8169 | writing by certified mail, and that after 5 ~~10~~ days the unit
 8170 | owner again made the same request for access to official records
 8171 | in writing by certified mail, and that more than 5 ~~10~~ days has
 8172 | elapsed since the second request and the association has still
 8173 | failed or refused to provide access to official records as
 8174 | required by this chapter, the division shall issue a subpoena
 8175 | requiring production of the requested records where the records
 8176 | are kept pursuant to s. 718.112.

8177 | 8. In addition to subparagraph 6., the division may seek
 8178 | the imposition of a civil penalty through the circuit court for
 8179 | any violation for which the division may issue a notice to show
 8180 | cause under paragraph (r). The civil penalty shall be at least
 8181 | \$500 but no more than \$5,000 for each violation. The court may
 8182 | also award ~~to the prevailing party court~~ costs and reasonable
 8183 | attorney attorney's fees to the prevailing party court and, if
 8184 | the division prevails, may also award reasonable costs of
 8185 | investigation.

8186 | (e) The division may prepare and disseminate a prospectus
 8187 | and other information to assist prospective owners, purchasers,
 8188 | lessees, and developers of residential common interest
 8189 | communities ~~condominiums~~ in assessing the rights, privileges,
 8190 | and duties pertaining thereto.

8191 (f) The division may adopt rules to administer and enforce
8192 the provisions of this chapter.

8193 (g) The division shall establish procedures for providing
8194 notice to an association and the developer, bulk assignee, or
8195 bulk buyer during the period in which the developer, bulk
8196 assignee, or bulk buyer controls the association if the division
8197 is considering the issuance of a declaratory statement with
8198 respect to the declaration of common interest community
8199 ~~condominium~~ or any related document governing such common
8200 interest community ~~condominium~~ community.

8201 (h) The division shall furnish each association that pays
8202 the fees required by paragraph (2) (a) a copy of this chapter, as
8203 amended, and the rules adopted thereto on an annual basis.

8204 (i) The division shall annually provide each association
8205 with a summary of declaratory statements and formal legal
8206 opinions relating to the operations of common interest
8207 communities ~~condominiums~~ which were rendered by the division
8208 during the previous year.

8209 (j) The division shall provide training and educational
8210 programs for common interest community ~~condominium~~ association
8211 board members and unit owners. The training may, in the
8212 division's discretion, include web-based electronic media, and
8213 live training and seminars in various locations throughout the
8214 state. The division may review and approve education and
8215 training programs for board members and unit owners offered by
8216 providers and shall maintain a current list of approved programs

8217 and providers and make such list available to board members and
8218 unit owners in a reasonable and cost-effective manner.

8219 (k) The division shall maintain a toll-free telephone
8220 number accessible to common interest community ~~condominium~~ unit
8221 owners.

8222 (l) The division shall develop a program to certify both
8223 volunteer and paid mediators to provide mediation of common
8224 interest community ~~condominium~~ disputes. The division shall
8225 provide, upon request, a list of such mediators to any
8226 association, unit owner, or other participant in arbitration
8227 proceedings under s. 718.1255 requesting a copy of the list. The
8228 division shall include on the list of volunteer mediators only
8229 the names of persons who have received at least 20 hours of
8230 training in mediation techniques or who have mediated at least
8231 20 disputes. In order to become initially certified by the
8232 division, paid mediators must be certified by the Supreme Court
8233 to mediate court cases in county or circuit courts. However, the
8234 division may adopt, by rule, additional factors for the
8235 certification of paid mediators, which must be related to
8236 experience, education, or background. Any person initially
8237 certified as a paid mediator by the division must, in order to
8238 continue to be certified, comply with the factors or
8239 requirements adopted by rule.

8240 (m) If a complaint is made, the division must conduct its
8241 inquiry with due regard for the interests of the affected
8242 parties. Within 30 days after receipt of a complaint, the

8243 division shall acknowledge the complaint in writing and notify
8244 the complainant whether the complaint is within the jurisdiction
8245 of the division and whether additional information is needed by
8246 the division from the complainant. The division shall conduct
8247 its investigation and, within 90 days after receipt of the
8248 original complaint or of timely requested additional
8249 information, take action upon the complaint. However, the
8250 failure to complete the investigation within 90 days does not
8251 prevent the division from continuing the investigation,
8252 accepting or considering evidence obtained or received after 90
8253 days, or taking administrative action if reasonable cause exists
8254 to believe that a violation of this chapter or a rule has
8255 occurred. If an investigation is not completed within the time
8256 limits established in this paragraph, the division shall, on a
8257 monthly basis, notify the complainant in writing of the status
8258 of the investigation. When reporting its action to the
8259 complainant, the division shall inform the complainant of any
8260 right to a hearing pursuant to ss. 120.569 and 120.57.

8261 (n) Common interest community ~~Condominium~~ association
8262 directors, officers, and employees; common interest community
8263 ~~condominium~~ developers; bulk assignees, bulk buyers, and
8264 community association managers; and community association
8265 management firms have an ongoing duty to reasonably cooperate
8266 with the division in any investigation pursuant to this section.
8267 The division shall refer to local law enforcement authorities
8268 any person whom the division believes has altered, destroyed,

8269 | concealed, or removed any record, document, or thing required to
 8270 | be kept or maintained by this chapter with the purpose to impair
 8271 | its verity or availability in the department's investigation.

8272 | (o) The division may:

8273 | 1. Contract with agencies in this state or other
 8274 | jurisdictions to perform investigative functions; or

8275 | 2. Accept grants-in-aid from any source.

8276 | (p) The division shall cooperate with similar agencies in
 8277 | other jurisdictions to establish uniform filing procedures and
 8278 | forms, public offering statements, advertising standards, and
 8279 | rules and common administrative practices.

8280 | (q) The division shall consider notice to a developer,
 8281 | bulk assignee, or bulk buyer to be complete when it is delivered
 8282 | to the address of the developer, bulk assignee, or bulk buyer
 8283 | currently on file with the division.

8284 | (r) In addition to its enforcement authority, the division
 8285 | may issue a notice to show cause, which must provide for a
 8286 | hearing, upon written request, in accordance with chapter 120.

8287 | (s) The division shall submit to the Governor, the
 8288 | President of the Senate, the Speaker of the House of
 8289 | Representatives, and the chairs of the legislative
 8290 | appropriations committees an annual report that includes, but
 8291 | need not be limited to, the number of training programs provided
 8292 | for common interest community ~~condominium~~ association board
 8293 | members and unit owners, the number of complaints received by
 8294 | type, the number and percent of complaints acknowledged in

8295 writing within 30 days and the number and percent of
 8296 investigations acted upon within 90 days in accordance with
 8297 paragraph (m), and the number of investigations exceeding the
 8298 90-day requirement. The annual report must also include an
 8299 evaluation of the division's core business processes and make
 8300 recommendations for improvements, including statutory changes.
 8301 The report shall be submitted by September 30 following the end
 8302 of the fiscal year.

8303 (2) (a) Each common interest community ~~condominium~~
 8304 association which operates more than two units shall pay to the
 8305 division an annual fee in the amount of \$2 ~~\$4~~ for each
 8306 residential unit in common interest communities ~~condominiums~~
 8307 operated by the association. If the fee is not paid by March 1,
 8308 the association shall be assessed a penalty of 10 percent of the
 8309 amount due, and the association will not have standing to
 8310 maintain or defend any action in the courts of this state until
 8311 the amount due, plus any penalty, is paid.

8312 (b) All fees shall be deposited in the Division of Common
 8313 Interest Communities ~~Florida Condominiums, Timeshares, and~~
 8314 ~~Mobile Homes~~ Trust Fund as provided by law.

8315 Section 88. Section 718.5011, Florida Statutes, is amended
 8316 to read:

8317 718.5011 Ombudsman; appointment; administration.—

8318 (1) There is created an Office of the Common Interest
 8319 Community ~~Condominium~~ Ombudsman, to be located for
 8320 administrative purposes within the Division of Common Interest

8321 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes.~~
 8322 The functions of the office shall be funded by the Division of
 8323 Common Interest Communities ~~Florida Condominiums, Timeshares,~~
 8324 ~~and Mobile Homes~~ Trust Fund. The ombudsman shall be a bureau
 8325 chief of the division, and the office shall be set within the
 8326 division in the same manner as any other bureau is staffed and
 8327 funded.

8328 (2) The Governor shall appoint the ombudsman. The
 8329 ombudsman must be an attorney admitted to practice before the
 8330 Florida Supreme Court and shall serve at the pleasure of the
 8331 Governor. A vacancy in the office shall be filled in the same
 8332 manner as the original appointment. An officer or full-time
 8333 employee of the ombudsman's office may not actively engage in
 8334 any other business or profession that directly or indirectly
 8335 relates to or conflicts with his or her work in the ombudsman's
 8336 office; serve as the representative of any political party,
 8337 executive committee, or other governing body of a political
 8338 party; serve as an executive, officer, or employee of a
 8339 political party; receive remuneration for activities on behalf
 8340 of any candidate for public office; or engage in soliciting
 8341 votes or other activities on behalf of a candidate for public
 8342 office. The ombudsman or any employee of his or her office may
 8343 not become a candidate for election to public office unless he
 8344 or she first resigns from his or her office or employment.

8345 Section 89. Section 718.5012, Florida Statutes, is amended
 8346 to read:

8347 718.5012 Ombudsman; powers and duties.—The ombudsman shall
 8348 have the powers that are necessary to carry out the duties of
 8349 his or her office, including the following specific powers:

8350 (1) To have access to and use of all files and records of
 8351 the division.

8352 (2) To employ professional and clerical staff as necessary
 8353 for the efficient operation of the office.

8354 (3) To prepare and issue reports and recommendations to
 8355 the Governor, the department, the division, the Advisory Council
 8356 on Common Interest Communities ~~Condominiums~~, the President of
 8357 the Senate, and the Speaker of the House of Representatives on
 8358 any matter or subject within the jurisdiction of the division.
 8359 The ombudsman shall make recommendations he or she deems
 8360 appropriate for legislation relative to division procedures,
 8361 rules, jurisdiction, personnel, and functions.

8362 (4) To act as liaison between the division, unit owners,
 8363 boards of directors, board members, community association
 8364 managers, and other affected parties. The ombudsman shall
 8365 develop policies and procedures to assist unit owners, boards of
 8366 directors, board members, community association managers, and
 8367 other affected parties to understand their rights and
 8368 responsibilities as set forth in this chapter and the common
 8369 interest community ~~condominium~~ documents governing their
 8370 respective association. The ombudsman shall coordinate and
 8371 assist in the preparation and adoption of educational and
 8372 reference material, and shall endeavor to coordinate with

8373 private or volunteer providers of these services, so that the
 8374 availability of these resources is made known to the largest
 8375 possible audience.

8376 (5) To monitor and review procedures and disputes
 8377 concerning common interest community ~~condominium~~ elections or
 8378 meetings, including, but not limited to, recommending that the
 8379 division pursue enforcement action in any manner where there is
 8380 reasonable cause to believe that election misconduct has
 8381 occurred.

8382 (6) To make recommendations to the division for changes in
 8383 rules and procedures for the filing, investigation, and
 8384 resolution of complaints filed by unit owners, associations, and
 8385 managers.

8386 (7) To provide resources to assist members of boards of
 8387 directors and officers of associations to carry out their powers
 8388 and duties consistent with this chapter, division rules, and the
 8389 common interest community ~~condominium~~ documents governing the
 8390 association.

8391 (8) To encourage and facilitate voluntary meetings with
 8392 and between unit owners, boards of directors, board members,
 8393 community association managers, and other affected parties when
 8394 the meetings may assist in resolving a dispute within a
 8395 community association before a person submits a dispute for a
 8396 formal or administrative remedy. It is the intent of the
 8397 Legislature that the ombudsman act as a neutral resource for
 8398 both the rights and responsibilities of unit owners,

8399 associations, and board members.

8400 (9) To assist with the resolution of disputes between unit
 8401 owners and the association or between unit owners when the
 8402 dispute is not within the jurisdiction of the division to
 8403 resolve.

8404 (10) Fifteen percent of the total voting interests in a
 8405 common interest community ~~condominium~~ association, or six unit
 8406 owners, whichever is greater, may petition the ombudsman to
 8407 appoint an election monitor to attend the annual meeting of the
 8408 unit owners and conduct the election of directors. The ombudsman
 8409 shall appoint a division employee, a person or persons
 8410 specializing in common interest community ~~condominium~~ election
 8411 monitoring, or an attorney licensed to practice in this state as
 8412 the election monitor. All costs associated with the election
 8413 monitoring process shall be paid by the association. The
 8414 division shall adopt a rule establishing procedures for the
 8415 appointment of election monitors and the scope and extent of the
 8416 monitor's role in the election process.

8417 Section 90. Section 718.50156, Florida Statutes, is
 8418 created to read:

8419 718.50156 Community Association Living Study Council;
 8420 membership functions.-

8421 (1) The Community Association Living Study Council is
 8422 created effective October 1, 2016. The council shall consist of
 8423 seven appointed members. Two members shall be appointed by the
 8424 President of the Senate, two members shall be appointed by the

8425 Speaker of the House of Representatives, and three members, one
8426 of whom may represent timeshare common interest communities,
8427 shall be appointed by the Governor. The director of the division
8428 shall appoint an ex officio nonvoting member. The Legislature
8429 intends that the council members represent a cross-section of
8430 persons interested in community association issues. The council
8431 shall be located within the division for administrative
8432 purposes. Members of the council shall serve without
8433 compensation but may receive per diem and travel expenses
8434 pursuant to s. 112.061 while on official business.

8435 (2) The council shall perform the following functions:

8436 (a) Receive, from the public, Legislature, Governor, and
8437 others, input regarding issues of concern with respect to
8438 community association administration, including living in common
8439 interest communities. The council shall make recommendations for
8440 changes in general law related to community associations. The
8441 issues that the council shall consider include, but are not
8442 limited to, the rights and responsibilities of the unit owners
8443 in relation to the rights and responsibilities of the
8444 association.

8445 (b) Review, evaluate, and advise the division concerning
8446 revisions to and adoption of rules affecting common interest
8447 communities.

8448 (c) Recommend improvements, if needed, in education
8449 programs offered by the division.

8450 (d) Review, evaluate, and advise the Legislature

8451 concerning revisions and improvements to general laws relating
 8452 to common interest communities.

8453 (e) Freely consult with the Regulatory Council of
 8454 Community Association Managers of the Department of Business and
 8455 Professional Regulation to coordinate efforts for regulatory or
 8456 legislative improvements.

8457 (3) The council may elect a chair and vice chair and other
 8458 officers it deems advisable. The council shall meet at the call
 8459 of its chair, at the request of a majority of its membership, at
 8460 the request of the division, or at such times as it may
 8461 prescribe. A majority of the members of the council shall
 8462 constitute a quorum. Council action may be taken by vote of a
 8463 majority of the voting members who are present at a meeting
 8464 where there is a quorum.

8465 Section 91. Section 718.502, Florida Statutes, is amended
 8466 to read:

8467 718.502 Filing prior to sale or lease.—

8468 (1) (a) A developer of a residential common interest
 8469 community ~~condominium~~ or mixed-use common interest community
 8470 ~~condominium~~ shall file with the division one copy of each of the
 8471 documents and items required to be furnished to a buyer or
 8472 lessee by ss. 718.503 and 718.504, if applicable. Until the
 8473 developer has so filed, a contract for sale of a unit or lease
 8474 of a unit for more than 5 years shall be voidable by the
 8475 purchaser or lessee prior to the closing of his or her purchase
 8476 or lease of a unit.

8477 (b) A developer may not close on any contract for sale or
 8478 contract for a lease period of more than 5 years until the
 8479 developer prepares and files with the division documents
 8480 complying with the requirements of this chapter and the rules
 8481 adopted by the division and until the division notifies the
 8482 developer that the filing is proper and the developer prepares
 8483 and delivers all documents required by s. 718.503(1)(b) to the
 8484 prospective buyer.

8485 (c) The division by rule may develop filing, review, and
 8486 examination requirements and relevant timetables to ensure
 8487 compliance with the notice and disclosure provisions of this
 8488 section.

8489 (2)(a) Prior to filing as required by subsection (1), and
 8490 prior to acquiring an ownership, leasehold, or contractual
 8491 interest in the land upon which the common interest community
 8492 ~~condominium~~ is to be developed, a developer shall not offer a
 8493 contract for purchase of a unit or lease of a unit for more than
 8494 5 years. However, the developer may accept deposits for
 8495 reservations upon the approval of a fully executed escrow
 8496 agreement and reservation agreement form properly filed with the
 8497 Division of Common Interest Communities ~~Florida Condominiums,~~
 8498 ~~Timeshares, and Mobile Homes~~. Each filing of a proposed
 8499 reservation program shall be accompanied by a filing fee of
 8500 \$250. Reservations shall not be taken on a proposed common
 8501 interest community ~~condominium~~ unless the developer has an
 8502 ownership, leasehold, or contractual interest in the land upon

8503 | which the common interest community ~~condominium~~ is to be
8504 | developed. The division shall notify the developer within 20
8505 | days of receipt of the reservation filing of any deficiencies
8506 | contained therein. Such notification shall not preclude the
8507 | determination of reservation filing deficiencies at a later
8508 | date, nor shall it relieve the developer of any responsibility
8509 | under the law. The escrow agreement and the reservation
8510 | agreement form shall include a statement of the right of the
8511 | prospective purchaser to an immediate unqualified refund of the
8512 | reservation deposit moneys upon written request to the escrow
8513 | agent by the prospective purchaser or the developer.

8514 | (b) The executed escrow agreement signed by the developer
8515 | and the escrow agent shall contain the following information:

8516 | 1. A statement that the escrow agent will grant a
8517 | prospective purchaser an immediate, unqualified refund of the
8518 | reservation deposit moneys upon written request either directly
8519 | to the escrow agent or to the developer.

8520 | 2. A statement that the escrow agent is responsible for
8521 | not releasing moneys directly to the developer except as a down
8522 | payment on the purchase price at the time a contract is signed
8523 | by the purchaser if provided in the contract.

8524 | (c) The reservation agreement form shall include the
8525 | following:

8526 | 1. A statement of the obligation of the developer to file
8527 | common interest community ~~condominium~~ documents with the
8528 | division prior to entering into a binding purchase agreement or

8529 binding agreement for a lease of more than 5 years.

8530 2. A statement of the right of the prospective purchaser
 8531 to receive all common interest community ~~condominium~~ documents
 8532 as required by this chapter.

8533 3. The name and address of the escrow agent.

8534 4. A statement as to whether the developer assures that
 8535 the purchase price represented in or pursuant to the reservation
 8536 agreement will be the price in the contract for purchase and
 8537 sale or that the price represented may be exceeded within a
 8538 stated amount or percentage or that no assurance is given as to
 8539 the price in the contract for purchase or sale.

8540 5. A statement that the deposit must be payable to the
 8541 escrow agent and that the escrow agent must provide a receipt to
 8542 the prospective purchaser.

8543 (3) Upon filing as required by subsection (1), the
 8544 developer shall pay to the division a filing fee of \$20 for each
 8545 residential unit to be sold by the developer which is described
 8546 in the documents filed. If the common interest community
 8547 ~~condominium~~ is to be built or sold in phases, the fee shall be
 8548 paid prior to offering for sale units in any subsequent phase.
 8549 Every developer who holds a unit or units for sale in a common
 8550 interest community ~~condominium~~ shall submit to the division any
 8551 amendments to documents or items on file with the division and
 8552 deliver to purchasers all amendments prior to closing, but in no
 8553 event, later than 10 days after the amendment. Upon filing of
 8554 amendments to documents currently on file with the division, the

8555 developer shall pay to the division a filing fee of up to \$100
 8556 per filing, with the exact fee to be set by division rule.

8557 (4) Any developer who complies with this section is not
 8558 required to file with any other division or agency of this state
 8559 for approval to sell the units in the common interest community
 8560 ~~condominium~~, the information for the common interest community
 8561 ~~condominium~~ for which he or she filed.

8562 (5) In addition to those disclosures described by ss.
 8563 718.503 and 718.504, the division is authorized to require such
 8564 other disclosure as deemed necessary to fully and ~~or~~ fairly
 8565 disclose all aspects of the offering.

8566 Section 92. Section 718.503, Florida Statutes, is amended
 8567 to read:

8568 718.503 Developer disclosure prior to sale; nondeveloper
 8569 unit owner disclosure prior to sale; voidability.—

8570 (1) DEVELOPER DISCLOSURE.—

8571 (a) Contents of contracts.—Any contract for the sale of a
 8572 residential unit or a lease thereof for an unexpired term of
 8573 more than 5 years shall:

8574 1. Contain the following legend in conspicuous type: THIS
 8575 AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF
 8576 THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF
 8577 EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER
 8578 OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM OR HER BY
 8579 THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS
 8580 AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE

8581 OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE
8582 OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY
8583 ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO
8584 THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS
8585 SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR
8586 A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED
8587 ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT
8588 SHALL TERMINATE AT CLOSING. FIGURES CONTAINED IN ANY BUDGET
8589 DELIVERED TO THE BUYER PREPARED IN ACCORDANCE WITH THE COMMON
8590 INTEREST COMMUNITY CONDOMINIUM ~~CONDOMINIUM~~ ACT ARE ESTIMATES ONLY AND
8591 REPRESENT AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND
8592 CIRCUMSTANCES EXISTING AT THE TIME OF THE PREPARATION OF THE
8593 BUDGET BY THE DEVELOPER. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED
8594 THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE
8595 MATERIAL ADVERSE CHANGES IN THE OFFERING.

8596 2. Contain the following caveat in conspicuous type on the
8597 first page of the contract: ORAL REPRESENTATIONS CANNOT BE
8598 RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE
8599 DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE
8600 TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.503,
8601 FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR
8602 LESSEE.

8603 3. If the unit has been occupied by someone other than the
8604 buyer, contain a statement that the unit has been occupied.

8605 4. If the contract is for the sale or transfer of a unit
8606 subject to a lease, include as an exhibit a copy of the executed

8607 | lease and shall contain within the text in conspicuous type: THE
 8608 | UNIT IS SUBJECT TO A LEASE (OR SUBLEASE).

8609 | 5. If the contract is for the lease of a unit for a term
 8610 | of 5 years or more, include as an exhibit a copy of the proposed
 8611 | lease.

8612 | 6. If the contract is for the sale or lease of a unit that
 8613 | is subject to a lien for rent payable under a lease of a
 8614 | recreational facility or other commonly used facility, contain
 8615 | within the text the following statement in conspicuous type:
 8616 | THIS CONTRACT IS FOR THE TRANSFER OF A UNIT THAT IS SUBJECT TO A
 8617 | LIEN FOR RENT PAYABLE UNDER A LEASE OF COMMONLY USED FACILITIES.
 8618 | FAILURE TO PAY RENT MAY RESULT IN FORECLOSURE OF THE LIEN.

8619 | 7. State the name and address of the escrow agent required
 8620 | by s. 718.202 and state that the purchaser may obtain a receipt
 8621 | for his or her deposit from the escrow agent upon request.

8622 | 8. If the contract is for the sale or transfer of a unit
 8623 | in a common interest community ~~condominium~~ in which timeshare
 8624 | estates have been or may be created, contain within the text in
 8625 | conspicuous type: UNITS IN THIS COMMON INTEREST COMMUNITY
 8626 | ~~CONDOMINIUM~~ ARE SUBJECT TO TIMESHARE ESTATES. The contract for
 8627 | the sale of a fee interest in a timeshare estate shall also
 8628 | contain, in conspicuous type, the following: FOR THE PURPOSE OF
 8629 | AD VALOREM TAXES OR SPECIAL ASSESSMENTS LEVIED BY TAXING
 8630 | AUTHORITIES AGAINST A FEE INTEREST IN A TIMESHARE ESTATE, THE
 8631 | MANAGING ENTITY IS GENERALLY CONSIDERED THE TAXPAYER UNDER
 8632 | FLORIDA LAW. YOU HAVE THE RIGHT TO CHALLENGE AN ASSESSMENT BY A

8633 TAXING AUTHORITY RELATING TO YOUR TIMESHARE ESTATE PURSUANT TO
8634 THE PROVISIONS OF CHAPTER 194, FLORIDA STATUTES.

8635 (b) Copies of documents to be furnished to prospective
8636 buyer or lessee.—Until such time as the developer has furnished
8637 the documents listed below to a person who has entered into a
8638 contract to purchase a residential unit or lease it for more
8639 than 5 years, the contract may be voided by that person,
8640 entitling the person to a refund of any deposit together with
8641 interest thereon as provided in s. 718.202. The contract may be
8642 terminated by written notice from the proposed buyer or lessee
8643 delivered to the developer within 15 days after the buyer or
8644 lessee receives all of the documents required by this section.
8645 The developer may not close for 15 days following the execution
8646 of the agreement and delivery of the documents to the buyer as
8647 evidenced by a signed receipt for documents unless the buyer is
8648 informed in the 15-day voidability period and agrees to close
8649 prior to the expiration of the 15 days. The developer shall
8650 retain in his or her records a separate agreement signed by the
8651 buyer as proof of the buyer's agreement to close prior to the
8652 expiration of said voidability period. Said proof shall be
8653 retained for a period of 5 years after the date of the closing
8654 of the transaction. The documents to be delivered to the
8655 prospective buyer are the prospectus or disclosure statement
8656 with all exhibits, if the development is subject to the
8657 provisions of s. 718.504, or, if not, then copies of the
8658 following which are applicable:

8659 1. The question and answer sheet described in s. 718.504,
 8660 and declaration of common interest community ~~condominium~~, or the
 8661 proposed declaration if the declaration has not been recorded,
 8662 which shall include the certificate of a surveyor approximately
 8663 representing the locations required by s. 718.104.

8664 2. The documents creating the association.

8665 3. The bylaws.

8666 4. The ground lease or other underlying lease of the
 8667 common interest community ~~condominium~~.

8668 5. The management contract, maintenance contract, and
 8669 other contracts for management of the association and operation
 8670 of the common interest community ~~condominium~~ and facilities used
 8671 by the unit owners having a service term in excess of 1 year,
 8672 and any renewable management contracts ~~that are renewable~~.

8673 6. The estimated operating budget for the common interest
 8674 community ~~condominium~~ and a schedule of expenses for each type
 8675 of unit, including fees assessed pursuant to s. 718.113(1) for
 8676 the maintenance of limited common elements where such costs are
 8677 shared only by those entitled to use the limited common
 8678 elements.

8679 7. The lease of recreational and other facilities that
 8680 will be used only by unit owners of the subject common interest
 8681 community ~~condominium~~.

8682 8. The lease of recreational and other common facilities
 8683 that will be used by unit owners in common with unit owners of
 8684 other common interest communities ~~condominiums~~.

8685 9. The form of unit lease if the offer is for ~~of a~~
8686 leasehold.

8687 10. Any declaration of servitude of properties serving the
8688 common interest community ~~condominium~~ but not owned by unit
8689 owners or leased to them or the association.

8690 11. If the development is to be built in phases or if the
8691 association is to manage more than one common interest community
8692 ~~condominium~~, a description of the plan of phase development or
8693 the arrangements for the association to manage two or more
8694 common interest communities ~~condominiums~~.

8695 12. If the common interest community ~~condominium~~ is a
8696 conversion of existing improvements, the statements and
8697 disclosure required by s. 718.616.

8698 13. The form of agreement for sale or lease of units.

8699 14. A copy of the floor plan of the unit and the plot plan
8700 showing the location of the residential buildings and the
8701 recreation and other common areas.

8702 15. A copy of all covenants and restrictions which will
8703 affect the use of the property and which are not contained in
8704 the foregoing.

8705 16. If the developer is required by state or local
8706 authorities to obtain acceptance or approval of any dock or
8707 marina facilities intended to serve the common interest
8708 community ~~condominium~~, a copy of any such acceptance or approval
8709 acquired by the time of filing with the division under s.
8710 718.502(1), or a statement that such acceptance or approval has

8711 not been acquired or received.

8712 17. Evidence demonstrating that the developer has an
 8713 ownership, leasehold, or contractual interest in the land upon
 8714 which the common interest community ~~condominium~~ is to be
 8715 developed.

8716 18. The governance form referenced in s. 718.503(2)(a).

8717 (c) Subsequent estimates; when provided.—If the closing on
 8718 a contract occurs more than 12 months after the filing of the
 8719 offering circular with the division, the developer shall provide
 8720 a copy of the current estimated operating budget of the
 8721 association to the buyer at closing, which shall not be
 8722 considered an amendment that modifies the offering provided any
 8723 changes to the association's budget from the budget given to the
 8724 buyer at the time of contract signing were the result of matters
 8725 beyond the developer's control. Changes in budgets of any master
 8726 association, recreation association, or club and similar budgets
 8727 for entities other than the association shall likewise not be
 8728 considered amendments that modify the offering. It is the intent
 8729 of this paragraph to clarify existing law.

8730 (2) NONDEVELOPER DISCLOSURE.—

8731 (a) Each unit owner who is not a developer as defined by
 8732 this chapter shall comply with the provisions of this subsection
 8733 prior to the sale of his or her unit. Each prospective purchaser
 8734 who has entered into a contract for the purchase of a common
 8735 interest community ~~condominium~~ unit is entitled, at the seller's
 8736 expense, to a current copy of the declaration of common interest

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8737 community ~~condominium~~, articles of incorporation of the
8738 association, bylaws and rules of the association, financial
8739 information required by s. 718.111, ~~and~~ the document entitled
8740 "Frequently Asked Questions and Answers" required by s. 718.504,
8741 ~~and. On and after January 1, 2009, the prospective purchaser~~
8742 ~~shall also be entitled to receive from the seller a copy of the~~
8743 ~~a governance form referenced in s. 718.503(2)(a). Such form~~
8744 ~~shall be provided by the division summarizing governance of~~
8745 common interest community ~~condominium~~ associations. In addition
8746 to such other information as the division considers helpful to a
8747 prospective purchaser in understanding association governance,
8748 the governance form shall address the following subjects:

- 8749 1. The role of the board in conducting the day-to-day
8750 affairs of the association on behalf of, and in the best
8751 interests of, the owners.
- 8752 2. The board's responsibility to provide advance notice of
8753 board and membership meetings.
- 8754 3. The rights of owners to attend and speak at board and
8755 membership meetings.
- 8756 4. The responsibility of the board and of owners with
8757 respect to maintenance of the common interest community
8758 ~~condominium~~ property.
- 8759 5. The responsibility of the board and owners to abide by
8760 the common interest community ~~condominium~~ documents, this
8761 chapter, rules adopted by the division, and reasonable rules
8762 adopted by the board.

8763 6. Owners' rights to inspect and copy association records
8764 and the limitations on such rights.

8765 7. Remedies available to owners with respect to actions by
8766 the board which may be abusive or beyond the board's power and
8767 authority.

8768 8. The right of the board to hire a property management
8769 firm, subject to its own primary responsibility for such
8770 management.

8771 9. The responsibility of owners with regard to payment of
8772 regular or special assessments necessary for the operation of
8773 the property and the potential consequences of failure to pay
8774 such assessments.

8775 10. The voting rights of owners.

8776 11. Rights and obligations of the board in enforcement of
8777 rules in the common interest community ~~condominium~~ documents and
8778 rules adopted by the board.

8779
8780 The governance form shall also include the following statement
8781 in conspicuous type: "This publication is intended as an
8782 informal educational overview of common interest community
8783 ~~condominium~~ governance. In the event of a conflict, the
8784 provisions of chapter 718, Florida Statutes, rules adopted by
8785 the Division of Common Interest Communities ~~Florida~~
8786 ~~Condominiums, Timeshares, and Mobile Homes~~ of the Department of
8787 Business and Professional Regulation, the provisions of the
8788 common interest community ~~condominium~~ documents, and reasonable

8789 rules adopted by the common interest community ~~condominium~~
 8790 association's board of administration prevail over the contents
 8791 of this publication."

8792 (b) If a person licensed under part I of chapter 475
 8793 provides to or otherwise obtains for a prospective purchaser the
 8794 documents described in this subsection, the person is not liable
 8795 for any error or inaccuracy contained in the documents.

8796 (c) Each contract entered into after July 1, 1992, for the
 8797 resale of a residential unit shall contain in conspicuous type
 8798 either:

8799 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 8800 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE DECLARATION
 8801 OF COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~, ARTICLES OF
 8802 INCORPORATION OF THE ASSOCIATION, BYLAWS AND RULES OF THE
 8803 ASSOCIATION, AND A COPY OF THE MOST RECENT YEAR-END FINANCIAL
 8804 INFORMATION AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT
 8805 MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 8806 HOLIDAYS, PRIOR TO EXECUTION OF THIS CONTRACT; or

8807 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
 8808 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
 8809 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 8810 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
 8811 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE DECLARATION
 8812 OF COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~, ARTICLES OF
 8813 INCORPORATION, BYLAWS AND RULES OF THE ASSOCIATION, AND A COPY
 8814 OF THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND FREQUENTLY

8815 ASKED QUESTIONS AND ANSWERS DOCUMENT IF SO REQUESTED IN WRITING.
 8816 ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO
 8817 EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF
 8818 NOT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 8819 HOLIDAYS, AFTER THE BUYER RECEIVES THE DECLARATION, ARTICLES OF
 8820 INCORPORATION, BYLAWS AND RULES OF THE ASSOCIATION, AND A COPY
 8821 OF THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND FREQUENTLY
 8822 ASKED QUESTIONS AND ANSWERS DOCUMENT IF REQUESTED IN WRITING.
 8823 BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

8824
 8825 A contract that does not conform to the requirements of this
 8826 paragraph is voidable at the option of the purchaser prior to
 8827 closing.

8828 (3) OTHER DISCLOSURE.—

8829 (a) If residential common interest community ~~condominium~~
 8830 parcels are offered for sale or lease prior to completion of
 8831 construction of the units and of improvements to the common
 8832 elements, or prior to completion of remodeling of previously
 8833 occupied buildings, the developer shall make available to each
 8834 prospective purchaser or lessee, for his or her inspection at a
 8835 place convenient to the site, a copy of the complete plans and
 8836 specifications for the construction or remodeling of the unit
 8837 offered to him or her and of the improvements to the common
 8838 elements appurtenant to the unit.

8839 (b) Sales brochures, if any, shall be provided to each
 8840 purchaser, and the following caveat in conspicuous type shall be

8841 placed on the inside front cover or on the first page containing
 8842 text material of the sales brochure, or otherwise conspicuously
 8843 displayed: ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS
 8844 CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT
 8845 REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND TO THE
 8846 DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE
 8847 FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE. If timeshare
 8848 estates have been or may be created with respect to any unit in
 8849 the common interest community ~~condominium~~, the sales brochure
 8850 shall contain the following statement in conspicuous type: UNITS
 8851 IN THIS COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~ ARE SUBJECT TO
 8852 TIMESHARE ESTATES.

8853 Section 93. Section 718.504, Florida Statutes, is amended
 8854 to read:

8855 718.504 Prospectus or offering circular.—Every developer
 8856 of a residential common interest community ~~condominium~~ which
 8857 contains more than 20 residential units, or which is part of a
 8858 group of residential common interest communities ~~condominiums~~
 8859 which will be served by property to be used in common by unit
 8860 owners of more than 20 residential units, shall prepare a
 8861 prospectus or offering circular and file it with the Division of
 8862 Common Interest Communities ~~Florida Condominiums, Timeshares,~~
 8863 ~~and Mobile Homes~~ prior to entering into an enforceable contract
 8864 of purchase and sale of any unit or lease of a unit for more
 8865 than 5 years and shall furnish a copy of the prospectus or
 8866 offering circular to each buyer. In addition to the prospectus

8867 or offering circular, each buyer shall be furnished a separate
8868 page entitled "Frequently Asked Questions and Answers," which
8869 shall be in accordance with a format approved by the division
8870 and a copy of the financial information required by s. 718.111.
8871 This page shall, in readable language, inform prospective
8872 purchasers regarding their voting rights and unit use
8873 restrictions, including restrictions on the leasing of a unit;
8874 shall indicate whether and in what amount the unit owners or the
8875 association is obligated to pay rent or land use fees for
8876 recreational or other commonly used facilities; shall contain a
8877 statement identifying that amount of assessment which, pursuant
8878 to the budget, would be levied upon each unit type, exclusive of
8879 any special assessments, and which shall further identify the
8880 basis upon which assessments are levied, whether monthly,
8881 quarterly, or otherwise; shall state and identify any court
8882 cases in which the association is currently a party of record in
8883 which the association may face liability in excess of \$100,000;
8884 and which shall further state whether membership in a
8885 recreational facilities association is mandatory, and if so,
8886 shall identify the fees currently charged per unit type. The
8887 division shall by rule require such other disclosure as in its
8888 judgment will assist prospective purchasers. The prospectus or
8889 offering circular may include more than one common interest
8890 community condominium, although not all such units are being
8891 offered for sale as of the date of the prospectus or offering
8892 circular. The prospectus or offering circular must contain the

8893 following information:

8894 (1) The front cover or the first page must contain only:

8895 (a) The name of the common interest community ~~condominium~~.

8896 (b) The following statements in conspicuous type:

8897 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT
 8898 MATTERS TO BE CONSIDERED IN ACQUIRING A COMMON INTEREST
 8899 COMMUNITY ~~CONDOMINIUM~~ UNIT.

8900 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN
 8901 NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES,
 8902 ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES
 8903 MATERIALS.

8904 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY
 8905 STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS
 8906 PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT
 8907 REPRESENTATIONS.

8908 (2) Summary: The next page must contain all statements
 8909 required to be in conspicuous type in the prospectus or offering
 8910 circular.

8911 (3) A separate index of the contents and exhibits of the
 8912 prospectus.

8913 (4) Beginning on the first page of the text (not including
 8914 the summary and index), a description of the common interest
 8915 community ~~condominium~~, including, but not limited to, the
 8916 following information:

8917 (a) Its name and location.

8918 (b) A description of the common interest community

8919 ~~condominium~~ property, including, without limitation:

8920 1. The number of buildings, the number of units in each

8921 building, the number of bathrooms and bedrooms in each unit, and

8922 the total number of units, if the common interest community

8923 ~~condominium~~ is not a phase common interest community

8924 ~~condominium~~, or the maximum number of buildings that may be

8925 contained within the common interest community ~~condominium~~, the

8926 minimum and maximum numbers of units in each building, the

8927 minimum and maximum numbers of bathrooms and bedrooms that may

8928 be contained in each unit, and the maximum number of units that

8929 may be contained within the common interest community

8930 ~~condominium~~, if the common interest community ~~condominium~~ is a

8931 phase common interest community ~~condominium~~.

8932 2. The page in the common interest community ~~condominium~~

8933 documents where a copy of the plot plan and survey of the common

8934 interest community ~~condominium~~ is located.

8935 3. The estimated latest date of completion of

8936 constructing, finishing, and equipping. In lieu of a date, the

8937 description shall include a statement that the estimated date of

8938 completion of the common interest community ~~condominium~~ is in

8939 the purchase agreement and a reference to the article or

8940 paragraph containing that information.

8941 (c) The maximum number of units that will use facilities

8942 in common with the common interest community ~~condominium~~. If the

8943 maximum number of units will vary, a description of the basis

8944 for variation and the minimum amount of dollars per unit to be

8945 spent for additional recreational facilities or enlargement of
 8946 such facilities. If the addition or enlargement of facilities
 8947 will result in a material increase of a unit owner's maintenance
 8948 expense or rental expense, if any, the maximum increase and
 8949 limitations thereon shall be stated.

8950 (5) (a) A statement in conspicuous type describing whether
 8951 the common interest community ~~condominium~~ is created and being
 8952 sold as fee simple interests or as leasehold interests. If the
 8953 common interest community ~~condominium~~ is created or being sold
 8954 on a leasehold, the location of the lease in the disclosure
 8955 materials shall be stated.

8956 (b) If timeshare estates are or may be created with
 8957 respect to any unit in the common interest community
 8958 ~~condominium~~, a statement in conspicuous type stating that
 8959 timeshare estates are created and being sold in units in the
 8960 common interest community ~~condominium~~.

8961 (6) A description of the recreational and other commonly
 8962 used facilities that will be used only by unit owners of the
 8963 common interest community ~~condominium~~, including, but not
 8964 limited to, the following:

8965 (a) Each room and its intended purposes, location,
 8966 approximate floor area, and capacity in numbers of people.

8967 (b) Each swimming pool, as to its general location,
 8968 approximate size and depths, approximate deck size and capacity,
 8969 and whether heated.

8970 (c) Additional facilities, as to the number of each

8971 facility, its approximate location, approximate size, and
 8972 approximate capacity.

8973 (d) A general description of the items of personal
 8974 property and the approximate number of each item of personal
 8975 property that the developer is committing to furnish for each
 8976 room or other facility or, in the alternative, a representation
 8977 as to the minimum amount of expenditure that will be made to
 8978 purchase the personal property for the facility.

8979 (e) The estimated date when each room or other facility
 8980 will be available for use by the unit owners.

8981 (f)1. An identification of each room or other facility to
 8982 be used by unit owners that will not be owned by the unit owners
 8983 or the association;

8984 2. A reference to the location in the disclosure materials
 8985 of the lease or other agreements providing for the use of those
 8986 facilities; and

8987 3. A description of the terms of the lease or other
 8988 agreements, including the length of the term; the rent payable,
 8989 directly or indirectly, by each unit owner, and the total rent
 8990 payable to the lessor, stated in monthly and annual amounts for
 8991 the entire term of the lease; and a description of any option to
 8992 purchase the property leased under any such lease, including the
 8993 time the option may be exercised, the purchase price or how it
 8994 is to be determined, the manner of payment, and whether the
 8995 option may be exercised for a unit owner's share or only as to
 8996 the entire leased property.

8997 (g) A statement as to whether the developer may provide
 8998 additional facilities not described above; their general
 8999 locations and types; improvements or changes that may be made;
 9000 the approximate dollar amount to be expended; and the maximum
 9001 additional common expense or cost to the individual unit owners
 9002 that may be charged during the first annual period of operation
 9003 of the modified or added facilities.

9004
 9005 Descriptions as to locations, areas, capacities, numbers,
 9006 volumes, or sizes may be stated as approximations or minimums.

9007 (7) A description of the recreational and other facilities
 9008 that will be used in common with other common interest
 9009 communities ~~condominiums~~, community associations, or planned
 9010 developments which require the payment of the maintenance and
 9011 expenses of such facilities, directly or indirectly, by the unit
 9012 owners. The description shall include, but not be limited to,
 9013 the following:

9014 (a) Each building and facility committed to be built.

9015 (b) Facilities not committed to be built except under
 9016 certain conditions, and a statement of those conditions or
 9017 contingencies.

9018 (c) As to each facility committed to be built, or which
 9019 will be committed to be built upon the happening of one of the
 9020 conditions in paragraph (b), a statement of whether it will be
 9021 owned by the unit owners having the use thereof or by an
 9022 association or other entity which will be controlled by them, or

9023 others, and the location in the exhibits of the lease or other
 9024 document providing for use of those facilities.

9025 (d) The year in which each facility will be available for
 9026 use by the unit owners or, ~~in the alternative,~~ the maximum
 9027 number of unit owners in the project at the time each of all of
 9028 the facilities is committed to be completed.

9029 (e) A general description of the items of personal
 9030 property, and the approximate number of each item of personal
 9031 property, that the developer is committing to furnish for each
 9032 room or other facility or, in the alternative, a representation
 9033 as to the minimum amount of expenditure that will be made to
 9034 purchase the personal property for the facility.

9035 (f) If there are leases, a description thereof, including
 9036 the length of the term, the rent payable, and a description of
 9037 any ~~option to purchase~~ option.

9038
 9039 Descriptions shall include location, areas, capacities, numbers,
 9040 volumes, or sizes and may be stated as approximations or
 9041 minimums.

9042 (8) Recreation lease or associated club membership:

9043 (a) If any recreational facilities or other facilities
 9044 offered by the developer and available to, or to be used by,
 9045 unit owners are to be leased or have club membership associated,
 9046 the following statement in conspicuous type shall be included:
 9047 THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS
 9048 COMMON INTEREST COMMUNITY CONDOMINIUM; or, THERE IS A CLUB

9049 MEMBERSHIP ASSOCIATED WITH THIS COMMON INTEREST COMMUNITY
 9050 ~~CONDOMINIUM~~. There shall be a reference to the location in the
 9051 disclosure materials where the recreation lease or club
 9052 membership is described in detail.

9053 (b) If it is mandatory that unit owners pay a fee, rent,
 9054 dues, or other charges under a recreational facilities lease or
 9055 club membership for the use of facilities, there shall be in
 9056 conspicuous type the applicable statement:

9057 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS
 9058 MANDATORY FOR UNIT OWNERS; or

9059 2. UNIT OWNERS ARE REQUIRED, AS A CONDITION OF OWNERSHIP,
 9060 TO BE LESSEES UNDER THE RECREATIONAL FACILITIES LEASE; or

9061 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE
 9062 COSTS AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP,
 9063 REPLACEMENT, RENT, AND FEES UNDER THE RECREATIONAL FACILITIES
 9064 LEASE (OR THE OTHER INSTRUMENTS PROVIDING THE FACILITIES); or

9065 4. A similar statement of the nature of the organization
 9066 or the manner in which the use rights are created, and ~~that~~ unit
 9067 owners are required to pay.

9068
 9069 Immediately following the applicable statement, the location in
 9070 the disclosure materials where the development is described in
 9071 detail shall be stated.

9072 (c) If the developer, or any other person other than the
 9073 unit owners and other persons having use rights in the
 9074 facilities, reserves, or is entitled to receive, any rent, fee,

9075 or other payment for the use of the facilities, then there shall
 9076 be the following statement in conspicuous type: THE UNIT OWNERS
 9077 OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR
 9078 RECREATIONAL OR OTHER COMMONLY USED FACILITIES. Immediately
 9079 following this statement, the location in the disclosure
 9080 materials where the rent or fees for land use ~~fees~~ are described
 9081 in detail shall be stated.

9082 (d) If, in any recreation format, whether leasehold, club,
 9083 or other, any person other than the association has the right to
 9084 a lien on the units to secure the payment of assessments, rent,
 9085 or other exactions, there shall appear a statement in
 9086 conspicuous type in substantially the following form:

9087 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
 9088 SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE
 9089 RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE
 9090 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or

9091 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
 9092 SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE
 9093 FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL
 9094 OR COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE
 9095 THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

9096
 9097 Immediately following the applicable statement, the location in
 9098 the disclosure materials where the lien or lien right is
 9099 described in detail shall be stated.

9100 (9) If the developer or any other person has the right to

9101 increase or add to the recreational facilities at any time after
 9102 the establishment of the common interest community ~~condominium~~
 9103 whose unit owners have use rights therein, without the consent
 9104 of the unit owners or associations being required, there shall
 9105 appear a statement in conspicuous type in substantially the
 9106 following form: RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED
 9107 WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION(S).

9108 Immediately following this statement, the location in the
 9109 disclosure materials where such reserved rights are described
 9110 shall be stated.

9111 (10) A statement of whether the developer's plan includes
 9112 a program of leasing units rather than selling them, or leasing
 9113 units and selling them subject to such leases. If so, there
 9114 shall be a description of the plan, including the number and
 9115 identification of the units and the provisions and term of the
 9116 proposed leases, and a statement in boldfaced type that: THE
 9117 UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

9118 (11) The arrangements for management of the association
 9119 and maintenance and operation of the common interest community
 9120 ~~condominium~~ property and of other property that will serve the
 9121 unit owners of the common interest community ~~condominium~~
 9122 property, and a description of the management contract and all
 9123 other contracts for these purposes having a term in excess of 1
 9124 year, including the following:

- 9125 (a) The names of contracting parties.
- 9126 (b) The term of the contract.

9127 (c) The nature of the services included.

9128 (d) The compensation, stated on a monthly and annual
 9129 basis, and provisions for increases in the compensation.

9130 (e) A reference to the volumes and pages of the common
 9131 interest community ~~condominium~~ documents and of the exhibits
 9132 containing copies of such contracts.

9133

9134 Copies of all described contracts shall be attached as exhibits.
 9135 If there is a contract for the management of the common interest
 9136 community ~~condominium~~ property, then a statement in conspicuous
 9137 type in substantially the following form shall appear,
 9138 identifying the proposed or existing contract manager: THERE IS
 9139 (IS TO BE) A CONTRACT FOR THE MANAGEMENT OF THE COMMON INTEREST
 9140 COMMUNITY ~~CONDOMINIUM~~ PROPERTY WITH (NAME OF THE CONTRACT
 9141 MANAGER). Immediately following this statement, the location in
 9142 the disclosure materials of the contract for management of the
 9143 common interest community ~~condominium~~ property shall be stated.

9144 (12) If the developer or any other person or persons other
 9145 than the unit owners has the right to retain control of the
 9146 board of administration of the association for a period of time
 9147 which can exceed 1 year after the closing of the sale of a
 9148 majority of the units in that common interest community
 9149 ~~condominium~~ to persons other than successors or alternate
 9150 developers, then a statement in conspicuous type in
 9151 substantially the following form shall be included: THE
 9152 DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO RETAIN CONTROL OF

9153 THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.
 9154 Immediately following this statement, the location in the
 9155 disclosure materials where this right to control is described in
 9156 detail shall be stated.

9157 (13) If there are any restrictions upon the sale,
 9158 transfer, conveyance, or leasing of a unit, then a statement in
 9159 conspicuous type in substantially the following form shall be
 9160 included: THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR
 9161 CONTROLLED. Immediately following this statement, the location
 9162 in the disclosure materials where the restriction, limitation,
 9163 or control on the sale, lease, or transfer of units is described
 9164 in detail shall be stated.

9165 (14) If the common interest community ~~condominium~~ is part
 9166 of a phase project, the following information shall be stated:

9167 (a) A statement in conspicuous type in substantially the
 9168 following form: THIS IS A PHASE COMMON INTEREST COMMUNITY
 9169 ~~CONDOMINIUM~~. ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS
 9170 COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~. Immediately following
 9171 this statement, the location in the disclosure materials where
 9172 the phasing is described shall be stated.

9173 (b) A summary of the provisions of the declaration which
 9174 provide for the phasing.

9175 (c) A statement as to whether or not residential buildings
 9176 and units which are added to the common interest community
 9177 ~~condominium~~ may be substantially different from the residential
 9178 buildings and units originally in the common interest community

9179 ~~condominium~~. If the added residential buildings and units may be
 9180 substantially different, there shall be a general description of
 9181 the extent to which such added residential buildings and units
 9182 may differ, and a statement in conspicuous type in substantially
 9183 the following form shall be included: BUILDINGS AND UNITS WHICH
 9184 ARE ADDED TO THE COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~ MAY BE
 9185 SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND UNITS IN
 9186 THE COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~. Immediately following
 9187 this statement, the location in the disclosure materials where
 9188 the extent to which added residential buildings and units may
 9189 substantially differ is described shall be stated.

9190 (d) A statement of the maximum number of buildings
 9191 containing units, the maximum and minimum numbers of units in
 9192 each building, the maximum number of units, and the minimum and
 9193 maximum square footage of the units that may be contained within
 9194 each parcel of land which may be added to the common interest
 9195 community ~~condominium~~.

9196 (15) If a common interest community ~~condominium~~ created on
 9197 or after July 1, 2000, is or may become part of a multi-common
 9198 interest community ~~multicondominium~~, the following information
 9199 must be provided:

9200 (a) A statement in conspicuous type in substantially the
 9201 following form: THIS COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~ IS
 9202 (MAY BE) PART OF A MULTI-COMMON INTEREST COMMUNITY
 9203 ~~MULTICONDOMINIUM~~ DEVELOPMENT IN WHICH OTHER COMMON INTEREST
 9204 COMMUNITIES ~~CONDOMINIUMS~~ WILL (MAY) BE OPERATED BY THE SAME

9205 ASSOCIATION. Immediately following this statement, the location
 9206 in the prospectus or offering circular and its exhibits where
 9207 the multi-common interest community ~~multicondominium~~ aspects of
 9208 the offering are described must be stated.

9209 (b) A summary of the provisions in the declaration,
 9210 articles of incorporation, and bylaws which establish and
 9211 provide for the operation of the multi-common interest community
 9212 ~~multicondominium~~, including a statement as to whether unit
 9213 owners in the common interest community ~~condominium~~ will have
 9214 the right to use recreational or other facilities located or
 9215 planned to be located in other common interest communities
 9216 ~~condominiums~~ operated by the same association, and the manner of
 9217 sharing the common expenses related to such facilities.

9218 (c) A statement of the minimum and maximum number of
 9219 common interest communities ~~condominiums~~, and the minimum and
 9220 maximum number of units in each of those common interest
 9221 communities ~~condominiums~~, which will or may be operated by the
 9222 association, and the latest date by which the exact number will
 9223 be finally determined.

9224 (d) A statement as to whether any of the common interest
 9225 communities ~~condominiums~~ in the multi-common interest community
 9226 ~~multicondominium~~ may include units intended to be used for
 9227 nonresidential purposes and the purpose or purposes permitted
 9228 for such use.

9229 (e) A general description of the location and approximate
 9230 acreage of any land on which any additional common interest

9231 communities ~~condominiums~~ to be operated by the association may
 9232 be located.

9233 (16) If the common interest community ~~condominium~~ is
 9234 created by conversion of existing improvements, the following
 9235 information shall be stated:

9236 (a) The information required by s. 718.616.

9237 (b) A caveat that there are no express warranties unless
 9238 they are stated in writing by the developer.

9239 (17) A summary of the restrictions, if any, to be imposed
 9240 on units concerning the use of any of the common interest
 9241 community ~~condominium~~ property, including statements as to
 9242 whether there are restrictions upon children and pets, and
 9243 reference to the volumes and pages of the common interest
 9244 community ~~condominium~~ documents where such restrictions are
 9245 found, or if such restrictions are contained elsewhere, then a
 9246 copy of the documents containing the restrictions shall be
 9247 attached as an exhibit.

9248 (18) If there is any land that is offered by the developer
 9249 for use by the unit owners and that is neither owned by them nor
 9250 leased to them, the association, or any entity controlled by
 9251 unit owners and other persons having the use rights to such
 9252 land, a statement shall be made as to how such land will serve
 9253 the common interest community ~~condominium~~. If any part of such
 9254 land will serve the common interest community ~~condominium~~, the
 9255 statement shall describe the land and the nature and term of
 9256 service, and the declaration or other instrument creating such

9257 servitude shall be included as an exhibit.

9258 (19) The manner in which utility and other services,
 9259 including, but not limited to, sewage and waste disposal, water
 9260 supply, and storm drainage, will be provided and the person or
 9261 entity furnishing them.

9262 (20) An explanation of the manner in which the
 9263 apportionment of common expenses and ownership of the common
 9264 elements has been determined.

9265 (21) An estimated operating budget for the common interest
 9266 community condominium and the association, and a schedule of the
 9267 unit owner's expenses shall be attached as an exhibit and shall
 9268 contain the following information:

9269 (a) The estimated monthly and annual expenses of the
 9270 common interest community condominium and the association that
 9271 are collected from unit owners by assessments.

9272 (b) The estimated monthly and annual expenses of each unit
 9273 owner for a unit, other than common expenses paid by all unit
 9274 owners, payable by the unit owner to persons or entities other
 9275 than the association, as well as to the association, including
 9276 fees assessed pursuant to s. 718.113(1) for maintenance of
 9277 limited common elements where such costs are shared only by
 9278 those entitled to use the limited common element, and the total
 9279 estimated monthly and annual expense. There may be excluded from
 9280 this estimate expenses which are not provided for or
 9281 contemplated by the common interest community condominium
 9282 documents, including, but not limited to, the costs of private

9283 telephone; maintenance of the interior of common interest
 9284 community condominium units, which is not the obligation of the
 9285 association; maid or janitorial services privately contracted
 9286 for by the unit owners; utility bills billed directly to each
 9287 unit owner for utility services to his or her unit; insurance
 9288 premiums other than those incurred for policies obtained by the
 9289 common interest community condominium; and similar personal
 9290 expenses of the unit owner. A unit owner's estimated payments
 9291 for assessments shall also be stated in the estimated amounts
 9292 for the times when they will be due.

9293 (c) The estimated items of expenses of the common interest
 9294 community condominium and the association, except as excluded
 9295 under paragraph (b), including, but not limited to, the
 9296 following items, which shall be stated as an association expense
 9297 collectible by assessments or as unit owners' expenses payable
 9298 to persons other than the association:

- 9299 1. Expenses for the association and common interest
 9300 community condominium:
- 9301 a. Administration of the association.
 - 9302 b. Management fees.
 - 9303 c. Maintenance.
 - 9304 d. Rent for recreational and other commonly used
 9305 facilities.
 - 9306 e. Taxes upon association property.
 - 9307 f. Taxes upon leased areas.
 - 9308 g. Insurance.

- 9309 | h. Security provisions.
- 9310 | i. Other expenses.
- 9311 | j. Operating capital.
- 9312 | k. Reserves.
- 9313 | l. Fees payable to the division.
- 9314 | 2. Reserve requirements to provide sufficient information
- 9315 | to document budgetary requirements as provided in s.
- 9316 | 718.112(2)(g), including:
- 9317 | a. Specifications of roofing installation.
- 9318 | b. Number of squares of roofing per building.
- 9319 | c. Number of squares of roofing for all association
- 9320 | buildings.
- 9321 | d. Square footage of painted surfaces and applied paint
- 9322 | specifications.
- 9323 | e. Square yards and type of paving.
- 9324 | f. Square footage of pool surfaces.
- 9325 | g. Specifications for any item that the full funding of
- 9326 | the deferred maintenance expense or replacement cost would
- 9327 | require a reserve contribution of more than \$600 per year for
- 9328 | any unit within the association.
- 9329 | ~~3.2.~~ Expenses for a unit owner:
- 9330 | a. Rent for the unit, if subject to a lease.
- 9331 | b. Rent payable by the unit owner directly to the lessor
- 9332 | or agent under any recreational lease or lease for the use of
- 9333 | commonly used facilities, which use and payment is a mandatory
- 9334 | condition of ownership and is not included in the common expense

9335 or assessments for common maintenance paid by the unit owners to
 9336 the association.

9337 (d) The following statement in conspicuous type: THE
 9338 BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN
 9339 ACCORDANCE WITH THE COMMON INTEREST COMMUNITY CONDOMINIUM ACT
 9340 AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN
 9341 APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND
 9342 CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION. ACTUAL
 9343 COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES
 9344 IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE
 9345 OFFERING.

9346 (e) Each budget for an association prepared by a developer
 9347 consistent with this subsection shall be prepared in good faith
 9348 and shall reflect accurate estimated amounts for the required
 9349 items in paragraph (c) at the time of the filing of the offering
 9350 circular with the division, and subsequent increased amounts of
 9351 any item included in the association's estimated budget that are
 9352 beyond the control of the developer shall not be considered an
 9353 amendment that would give rise to rescission rights set forth in
 9354 s. 718.503(1) (a) or (b), nor shall such increases modify, void,
 9355 or otherwise affect any guarantee of the developer contained in
 9356 the offering circular or any purchase contract. It is the intent
 9357 of this paragraph to clarify existing law.

9358 (f) The estimated amounts shall be stated for a period of
 9359 at least 12 months and may distinguish between the periods
 9360 ~~period~~ prior to the time unit owners other than the developer

9361 | elect a majority of the board of administration and the period
 9362 | after that date.

9363 | (22) A schedule of estimated closing expenses to be paid
 9364 | by a buyer or lessee of a unit and a statement of whether title
 9365 | opinion or title insurance policy is available to the buyer and,
 9366 | if so, at whose expense.

9367 | (23) The identity of the developer and the chief operating
 9368 | officer or principal directing the creation and sale of the
 9369 | common interest community ~~condominium~~ and a statement of its and
 9370 | his or her experience in this field.

9371 | (24) Copies of the following, to the extent they are
 9372 | applicable, shall be included as exhibits:

9373 | (a) The declaration of common interest community
 9374 | ~~condominium~~, or the proposed declaration if the declaration has
 9375 | not been recorded.

9376 | (b) The articles of incorporation creating the
 9377 | association.

9378 | (c) The bylaws of the association.

9379 | (d) The ground lease or other underlying lease of the
 9380 | common interest community ~~condominium~~.

9381 | (e) The management agreement and all maintenance and other
 9382 | contracts for management of the association and operation of the
 9383 | common interest community ~~condominium~~ and facilities used by the
 9384 | unit owners having a service term in excess of 1 year.

9385 | (f) The estimated operating budget for the common interest
 9386 | community ~~condominium~~ and the required schedule of unit owners'

9387 expenses.

9388 (g) A copy of the floor plan of the unit and the plot plan
 9389 showing the location of the residential buildings and the
 9390 recreation and other common areas.

9391 (h) The lease of recreational and other facilities that
 9392 will be used only by unit owners of the subject common interest
 9393 community ~~condominium~~.

9394 (i) The lease of facilities used by owners and others.

9395 (j) The form of unit lease, if the offer is of a
 9396 leasehold.

9397 (k) A declaration of servitude of properties serving the
 9398 common interest community ~~condominium~~ but not owned by unit
 9399 owners or leased to them or the association.

9400 (l) The statement of condition of the existing building or
 9401 buildings, if the offering is of units in an operation being
 9402 converted to common interest community ~~condominium~~ ownership.

9403 (m) The statement of inspection for termite damage and
 9404 treatment of the existing improvements, if the common interest
 9405 community ~~condominium~~ is a conversion.

9406 (n) The form of agreement for sale or lease of units.

9407 (o) A copy of the agreement for escrow of payments made to
 9408 the developer prior to closing.

9409 (p) A copy of the documents containing any restrictions on
 9410 use of the property required by subsection (17).

9411 (q) A copy of the governance form as referenced in s.
 9412 718.503(2)(a).

9413 (25) Any prospectus or offering circular complying, prior
 9414 to the effective date of this act, with the provisions of former
 9415 ss. 711.69 and 711.802 may continue to be used without amendment
 9416 or may be amended to comply with this chapter.

9417 (26) A brief narrative description of the location and
 9418 effect of all existing and intended easements located or to be
 9419 located on the common interest community ~~condominium~~ property
 9420 other than those described in the declaration.

9421 (27) If the developer is required by state or local
 9422 authorities to obtain acceptance or approval of any dock or
 9423 marina facilities intended to serve the common interest
 9424 community ~~condominium~~, a copy of any such acceptance or approval
 9425 acquired by the time of filing with the division under s.
 9426 718.502(1) or a statement that such acceptance or approval has
 9427 not been acquired or received.

9428 (28) Evidence demonstrating that the developer has an
 9429 ownership, leasehold, or contractual interest in the land upon
 9430 which the common interest community ~~condominium~~ is to be
 9431 developed.

9432 Section 94. Section 718.506, Florida Statutes, is amended
 9433 to read:

9434 718.506 Publication of false and misleading information.-

9435 (1) Any person who, in reasonable reliance upon any
 9436 material statement or information that is false or misleading
 9437 and published by or under authority from the developer in
 9438 advertising and promotional materials, including, but not

9439 limited to, a prospectus, the items required as exhibits to a
9440 prospectus, brochures, and newspaper advertising, pays anything
9441 of value toward the purchase of a common interest community
9442 ~~condominium~~ parcel located in this state shall have a cause of
9443 action to rescind the contract or collect damages from the
9444 developer for his or her loss prior to the closing of the
9445 transaction. After the closing of the transaction, the purchaser
9446 shall have a cause of action against the developer for damages
9447 under this section from the time of closing until 1 year after
9448 the date upon which the last of the events described in
9449 paragraphs (a) through (d) shall occur:

9450 (a) The closing of the transaction;

9451 (b) The first issuance by the applicable governmental
9452 authority of a certificate of occupancy or other evidence of
9453 sufficient completion of construction of the building containing
9454 the unit to allow lawful occupancy of the unit. In counties or
9455 municipalities in which certificates of occupancy or other
9456 evidences of completion sufficient to allow lawful occupancy are
9457 not customarily issued, for the purpose of this section,
9458 evidence of lawful occupancy shall be deemed to be given or
9459 issued upon the date that such lawful occupancy of the unit may
9460 first be allowed under prevailing applicable laws, ordinances,
9461 or statutes;

9462 (c) The completion by the developer of the common elements
9463 and such recreational facilities, whether or not the same are
9464 common elements, which the developer is obligated to complete or

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9465 provide under the terms of the written contract or written
9466 agreement for purchase or lease of the unit; or

9467 (d) In the event there shall not be a written contract or
9468 agreement for sale or lease of the unit, then the completion by
9469 the developer of the common elements and such recreational
9470 facilities, whether or not the same are common elements, which
9471 the developer would be obligated to complete under any rule of
9472 law applicable to the developer's obligation.

9473

9474 Under no circumstances shall a cause of action created or
9475 recognized under this section survive for a period of more than
9476 5 years after the closing of the transaction.

9477 (2) In any action for relief under this section or under
9478 s. 718.503, the prevailing party shall be entitled to recover
9479 reasonable attorney ~~attorney's~~ fees.

9480 Section 95. Section 718.507, Florida Statutes, is amended
9481 to read:

9482 718.507 Zoning and building laws, ordinances, and
9483 regulations.—All laws, ordinances, and regulations concerning
9484 buildings or zoning shall be construed and applied with
9485 reference to the nature and use of such property, without regard
9486 to the form of ownership. No law, ordinance, or regulation shall
9487 establish any requirement concerning the use, location,
9488 placement, or construction of buildings or other improvements
9489 which are, or may thereafter be, subjected to the common
9490 interest community ~~condominium~~ form of ownership, unless such

9491 requirement shall be equally applicable to all buildings and
 9492 improvements of the same kind not then, or thereafter to be,
 9493 subjected to the common interest community ~~condominium~~ form of
 9494 ownership. This section does not apply if the owner in fee of
 9495 any land enters into and records a covenant that existing
 9496 improvements or improvements to be constructed shall not be
 9497 converted to the common interest community ~~condominium~~ form of
 9498 residential ownership prior to 5 years after the later of the
 9499 date of the covenant or completion date of the improvements.
 9500 Such covenant shall be entered into with the governing body of
 9501 the municipality in which the land is located or, if the land is
 9502 not located in a municipality, with the governing body of the
 9503 county in which the land is located.

9504 Section 96. Section 718.508, Florida Statutes, is amended
 9505 to read:

9506 718.508 Regulation by Division of Hotels and Restaurants.—
 9507 In addition to the authority, regulation, or control exercised
 9508 by the Division of Common Interest Communities ~~Florida~~
 9509 ~~Condominiums, Timeshares, and Mobile Homes~~ pursuant to this act
 9510 with respect to common interest communities ~~condominiums~~,
 9511 buildings included in a common interest community ~~condominium~~
 9512 property are subject to the authority, regulation, or control of
 9513 the Division of Hotels and Restaurants of the Department of
 9514 Business and Professional Regulation, to the extent provided in
 9515 chapter 399.

9516 Section 97. Section 718.509, Florida Statutes, is amended

9517 to read:

9518 718.509 Division of Common Interest Communities ~~Florida~~
 9519 ~~Condominiums, Timeshares, and Mobile Homes~~ Trust Fund.—

9520 (1) There is created within the State Treasury the
 9521 Division of Common Interest Communities ~~Florida Condominiums,~~
 9522 ~~Timeshares, and Mobile Homes~~ Trust Fund to be used for the
 9523 administration and operation of this chapter ~~and chapters 718,~~
 9524 ~~719, 721, and 723~~ by the division.

9525 (2) All moneys collected by the division from fees, fines,
 9526 or penalties or from costs awarded to the division by a court or
 9527 administrative final order shall be paid into the Division of
 9528 Common Interest Communities ~~Florida Condominiums, Timeshares,~~
 9529 ~~and Mobile Homes~~ Trust Fund. The Legislature shall appropriate
 9530 funds from this trust fund sufficient to carry out the
 9531 provisions of this chapter and the provisions of law with
 9532 respect to each category of business covered by the trust fund.
 9533 The division shall maintain separate revenue accounts in the
 9534 trust fund for each of the businesses regulated by the division.
 9535 The division shall provide for the proportionate allocation
 9536 among the accounts of expenses incurred by the division in the
 9537 performance of its duties with respect to each of these
 9538 businesses. As part of its normal budgetary process, the
 9539 division shall prepare an annual report of revenue and allocated
 9540 expenses related to the operation of each of these businesses
 9541 which may be used to determine fees charged by the division.
 9542 This subsection shall operate pursuant to the provisions of s.

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9543 215.20.

9544 Section 98. Section 718.604, Florida Statutes, is amended
9545 to read:

9546 718.604 Short title.—This part shall be known and may be
9547 cited as the "Roth Act" in memory of Mr. James S. Roth,
9548 Director, Division of Florida Land Sales and Common Interest
9549 Communities ~~Condominiums~~, 1979-1980.

9550 Section 99. Section 718.606, Florida Statutes, is amended
9551 to read:

9552 718.606 Conversion of existing improvements to common
9553 interest community ~~condominium~~; rental agreements.—When existing
9554 improvements are converted to ownership as a residential common
9555 interest community ~~condominium~~:

9556 (1) (a) Each residential tenant who has resided in the
9557 existing improvements for at least the 180 days preceding the
9558 date of the written notice of intended conversion shall have the
9559 right to extend an expiring rental agreement upon the same terms
9560 for a period that will expire no later than 270 days after the
9561 date of the notice. If the rental agreement expires more than
9562 270 days after the date of the notice, the tenant may not
9563 unilaterally extend the rental agreement.

9564 (b) Each other residential tenant shall have the right to
9565 extend an expiring rental agreement upon the same terms for a
9566 period that will expire no later than 180 days after the date of
9567 the written notice of intended conversion. If the rental
9568 agreement expires more than 180 days after the date of the

9569 notice, the tenant may not unilaterally extend the rental
9570 agreement.

9571 (2) (a) In order to extend the rental agreement as provided
9572 in subsection (1), a tenant shall, within 45 days after the date
9573 of the written notice of intended conversion, give written
9574 notice to the developer of the intention to extend the rental
9575 agreement.

9576 (b) If the rental agreement will expire within 45 days
9577 following the date of the notice, the tenant may remain in
9578 occupancy for the 45-day decision period upon the same terms by
9579 giving the developer written notice and paying rent on a pro
9580 rata basis from the expiration date of the rental agreement to
9581 the end of the 45-day period.

9582 (c) The tenant may extend the rental agreement for the
9583 full extension period or a part of the period.

9584 (3) After the date of a notice of intended conversion, a
9585 tenant may terminate any rental agreement, or any extension
9586 period having an unexpired term of 180 days or less, upon 30
9587 days' written notice to the developer. However, unless the
9588 rental agreement was entered into, extended, or renewed after
9589 the effective date of this part, the tenant may not unilaterally
9590 terminate the rental agreement but may unilaterally terminate
9591 any extension period having an unexpired term of 180 days or
9592 less upon 30 days' written notice.

9593 (4) A developer may elect to provide tenants who have been
9594 continuous residents of the existing improvements for at least

9595 180 days preceding the date of the written notice of intended
9596 conversion and whose rental agreements expire within 180 days of
9597 the date of the written notice of intended conversion the option
9598 of receiving in cash a tenant relocation payment at least equal
9599 to 1 month's rent in consideration for extending the rental
9600 agreement for not more than 180 days, rather than extending the
9601 rental agreement for up to 270 days.

9602 (5) A rental agreement may provide for termination by the
9603 developer upon 60 days' written notice if the rental agreement
9604 is entered into subsequent to the delivery of the written notice
9605 of intended conversion to all tenants and conspicuously states
9606 that the existing improvements are to be converted. No other
9607 provision in a rental agreement shall be enforceable to the
9608 extent that it purports to reduce the extension period provided
9609 by this section or otherwise would permit a developer to
9610 terminate a rental agreement in the event of a conversion. This
9611 subsection applies to rental agreements entered into, extended,
9612 or renewed after the effective date of this part; the
9613 termination provisions of all other rental agreements are
9614 governed by the provisions of s. 718.402(3), Florida Statutes
9615 1979.

9616 (6) Any provision of this section or of the rental
9617 agreement or other contract or agreement to the contrary
9618 notwithstanding, whenever a county, including a charter county,
9619 determines that there exists within the county a vacancy rate in
9620 rental housing of 3 percent or less, the county may adopt an

9621 ordinance or other measure extending the 270-day extension
 9622 period described in paragraph (1)(a) and the 180-day extension
 9623 described in paragraph (1)(b) for an additional 90 days, if:

9624 (a) Such measure was duly adopted, after notice and public
 9625 hearing, in accordance with all applicable provisions of the
 9626 charter governing the county and any other applicable laws; and

9627 (b) The governing body has made and recited in such
 9628 measure its findings establishing the existence in fact of a
 9629 housing emergency so grave as to constitute a serious menace to
 9630 the general public and that such controls are necessary and
 9631 proper to eliminate such grave housing emergency.

9632
 9633 A county ordinance or other measure adopting an additional 90-
 9634 day extension under the provisions of this section is
 9635 controlling throughout the entire county, including a charter
 9636 county, where adopted, including all municipalities, unless a
 9637 municipality votes not to have it apply within its boundaries.

9638 Section 100. Section 718.608, Florida Statutes, is amended
 9639 to read:

9640 718.608 Notice of intended conversion; time of delivery;
 9641 content.—

9642 (1) Prior to or simultaneous with the first offering of
 9643 individual units to any person, each developer shall deliver a
 9644 notice of intended conversion to all tenants of the existing
 9645 improvements being converted to residential common interest
 9646 community condominium. All such notices shall be given within a

9647 72-hour period.

9648 (2) (a) Each notice of intended conversion shall be dated
 9649 and in writing. The notice shall contain the following
 9650 statement, with the phrases of the following statement which
 9651 appear in upper case printed in conspicuous type:

9652 These apartments are being converted to common interest
 9653 community condominium by ...(name of developer)..., the
 9654 developer.

9655 1. YOU MAY REMAIN AS A RESIDENT UNTIL THE EXPIRATION OF
 9656 YOUR RENTAL AGREEMENT. FURTHER, YOU MAY EXTEND YOUR RENTAL
 9657 AGREEMENT AS FOLLOWS:

9658 a. If you have continuously been a resident of these
 9659 apartments during the last 180 days and your rental agreement
 9660 expires during the next 270 days, you may extend your rental
 9661 agreement for up to 270 days after the date of this notice.

9662 b. If you have not been a continuous resident of these
 9663 apartments for the last 180 days and your rental agreement
 9664 expires during the next 180 days, you may extend your rental
 9665 agreement for up to 180 days after the date of this notice.

9666 c. IN ORDER FOR YOU TO EXTEND YOUR RENTAL AGREEMENT, YOU
 9667 MUST GIVE THE DEVELOPER WRITTEN NOTICE WITHIN 45 DAYS AFTER THE
 9668 DATE OF THIS NOTICE.

9669 2. IF YOUR RENTAL AGREEMENT EXPIRES IN THE NEXT 45 DAYS,
 9670 you may extend your rental agreement for up to 45 days after the
 9671 date of this notice while you decide whether to extend your
 9672 rental agreement as explained above. To do so, you must notify

9673 the developer in writing. You will then have the full 45 days to
 9674 decide whether to extend your rental agreement as explained
 9675 above.

9676 3. During the extension of your rental agreement you will
 9677 be charged the same rent that you are now paying.

9678 4. YOU MAY CANCEL YOUR RENTAL AGREEMENT AND ANY EXTENSION
 9679 OF THE RENTAL AGREEMENT AS FOLLOWS:

9680 a. If your rental agreement ~~began or was extended or~~
 9681 ~~renewed after May 1, 1980, and your rental agreement, including~~
 9682 ~~extensions and renewals, has an unexpired term of 180 days or~~
 9683 ~~less, you may cancel your rental agreement upon 30 days' written~~
 9684 ~~notice and move. Also, upon 30 days' written notice, you may~~
 9685 ~~cancel any extension of the rental agreement.~~

9686 b. ~~If your rental agreement was not begun or was not~~
 9687 ~~extended or renewed after May 1, 1980, you may not cancel the~~
 9688 ~~rental agreement without the consent of the developer. If your~~
 9689 ~~rental agreement, including extensions and renewals, has an~~
 9690 ~~unexpired term of 180 days or less, you may, however, upon 30~~
 9691 ~~days' written notice cancel any extension of the rental~~
 9692 ~~agreement.~~

9693 5. All notices must be given in writing and sent by mail,
 9694 return receipt requested, or delivered in person to the
 9695 developer at this address: ... (name and address of
 9696 developer)....

9697 6. If you have continuously been a resident of these
 9698 apartments during the last 180 days:

9699 a. You have the right to purchase your apartment and will
 9700 have 45 days to decide whether to purchase. If you do not buy
 9701 the unit at that price and the unit is later offered at a lower
 9702 price, you will have the opportunity to buy the unit at the
 9703 lower price. However, in all events your right to purchase the
 9704 unit ends when the rental agreement or any extension of the
 9705 rental agreement ends or when you waive this right in writing.

9706 b. Within 90 days you will be provided purchase
 9707 information relating to your apartment, including the price of
 9708 your unit and the condition of the building. If you do not
 9709 receive this information within 90 days, your rental agreement
 9710 and any extension will be extended 1 day for each day over 90
 9711 days until you are given the purchase information. If you do not
 9712 want this rental agreement extension, you must notify the
 9713 developer in writing.

9714 7. If you have any questions regarding this conversion or
 9715 the Common Interest Community ~~Condominium~~ Act, you may contact
 9716 the developer or the state agency which regulates common
 9717 interest communities ~~condominiums~~: The Division of Common
 9718 Interest Communities ~~Florida Condominiums, Timeshares, and~~
 9719 ~~Mobile Homes~~, ... (Tallahassee address and telephone number of
 9720 division)....

9721 (b) When a developer offers tenants an optional tenant
 9722 relocation payment pursuant to s. 718.606(4), the notice of
 9723 intended conversion shall contain a statement substantially as
 9724 follows:

9725 If you have been a continuous resident of these apartments
9726 for the last 180 days and your lease expires during the next 180
9727 days, you may extend your rental agreement for up to 270 days,
9728 or you may extend your rental agreement for up to 180 days and
9729 receive a cash payment at least equal to 1 month's rent. You
9730 must make your decision and inform the developer in writing
9731 within 45 days after the date of this notice.

9732 (c) When the rental agreement extension provisions of s.
9733 718.606(6) are applicable to a conversion, subparagraphs 1.a.
9734 and b. of the notice of intended conversion shall read as
9735 follows:

9736 1. YOU MAY REMAIN AS A RESIDENT UNTIL THE EXPIRATION OF
9737 YOUR RENTAL AGREEMENT. FURTHER, YOU MAY EXTEND YOUR RENTAL
9738 AGREEMENT AS FOLLOWS:

9739 a. If you have continuously been a resident of these
9740 apartments during the last 180 days and your rental agreement
9741 expires during the next 360 days, you may extend your rental
9742 agreement for up to 360 days after the date of this notice.

9743 b. If you have not been a continuous resident of these
9744 apartments for the last 180 days and your rental agreement
9745 expires during the next 270 days, you may extend your rental
9746 agreement for up to 270 days after the date of this notice.

9747 (3) Notice of intended conversion may not be waived by a
9748 tenant unless the tenant's lease conspicuously states that the
9749 building is to be converted and the other tenants residing in
9750 the building have previously received a notice of intended

9751 conversion.

9752 (4) Upon the request of a developer and payment of a fee
 9753 prescribed by the rules of the division, not to exceed \$50, the
 9754 division may verify to a developer that a notice complies with
 9755 this section.

9756 (5) Prior to delivering a notice of intended conversion to
 9757 tenants of existing improvements being converted to a
 9758 residential common interest community ~~condominium~~, each
 9759 developer shall file with the division and receive approval of a
 9760 copy of the notice of intended conversion. Upon filing, each
 9761 developer shall pay to the division a filing fee of \$100.

9762 Section 101. Section 718.616, Florida Statutes, is amended
 9763 to read:

9764 718.616 Disclosure of condition of building and estimated
 9765 replacement costs and notification of municipalities.—

9766 (1) Each developer of a residential common interest
 9767 community ~~condominium~~ created by converting existing, previously
 9768 occupied improvements to such form of ownership shall prepare a
 9769 report that discloses the condition of the improvements and the
 9770 condition of certain components and their current estimated
 9771 replacement costs as of the date of the report.

9772 (2) The following information shall be stated concerning
 9773 the improvements:

- 9774 (a) The date and type of construction.
- 9775 (b) The prior use.
- 9776 (c) Whether there is termite damage or infestation and

9777 whether the termite damage or infestation, if any, has been
9778 properly treated. The statement shall be substantiated by
9779 including, as an exhibit, an inspection report by a certified
9780 pest control operator.

9781 (3) (a) Disclosure of condition shall be made for each of
9782 the following components that the existing improvements may
9783 include:

- 9784 1. Roof.
- 9785 2. Structure.
- 9786 3. Fire protection systems.
- 9787 4. Elevators.
- 9788 5. Heating and cooling systems.
- 9789 6. Plumbing.
- 9790 7. Electrical systems.
- 9791 8. Swimming pool.
- 9792 9. Seawalls, pilings, and docks.
- 9793 10. Pavement and concrete, including roadways, walkways,
9794 and parking areas.
- 9795 11. Drainage systems.
- 9796 12. Irrigation systems.

9797 (b) For each component, the following information shall be
9798 disclosed and substantiated by attaching a copy of a certificate
9799 under seal of an architect or engineer authorized to practice in
9800 this state:

- 9801 1. The age of the component as of the date of the report.
- 9802 2. The estimated remaining useful life of the component as

9803 of the date of the report.

9804 3. The estimated current replacement cost of the component
9805 as of the date of the report, expressed:

9806 a. As a total amount; and

9807 b. As a per-unit amount, based upon each unit's
9808 proportional share of the common expenses.

9809 4. The structural and functional soundness of the
9810 component.

9811 (c) Each unit owner and the association are third-party
9812 beneficiaries of the report.

9813 (d) A supplemental report shall be prepared for any
9814 structure or component that is renovated or repaired after
9815 completion of the original report and prior to the recording of
9816 the declaration of common interest community ~~condominium~~. If the
9817 declaration is not recorded within 1 year after the date of the
9818 original report, the developer shall update the report annually
9819 prior to recording the declaration of common interest community
9820 ~~condominium~~.

9821 (e) The report may not contain representations on behalf
9822 of the development concerning future improvements or repairs and
9823 must be limited to the current condition of the improvements.

9824 (4) If the proposed common interest community ~~condominium~~
9825 is situated within a municipality, the disclosure shall include
9826 a letter from the municipality acknowledging that the
9827 municipality has been notified of the proposed creation of a
9828 residential common interest community ~~condominium~~ by conversion

9829 of existing, previously occupied improvements and, in any
9830 county, as defined in s. 125.011(1), acknowledging compliance
9831 with applicable zoning requirements as determined by the
9832 municipality.

9833 Section 102. Section 718.618, Florida Statutes, is amended
9834 to read:

9835 718.618 Converter reserve accounts; warranties.—

9836 (1) When existing improvements are converted to ownership
9837 as a residential common interest community ~~condominium~~, the
9838 developer shall establish converter reserve accounts for capital
9839 expenditures and deferred maintenance, or give warranties as
9840 provided by subsection (6), or post a surety bond as provided by
9841 subsection (7). The developer shall fund the converter reserve
9842 accounts in amounts calculated as follows:

9843 (a)1. When the existing improvements include an air-
9844 conditioning system serving more than one unit or property which
9845 the association is responsible to repair, maintain, or replace,
9846 the developer shall fund an air-conditioning reserve account.
9847 The amount of the reserve account shall be the product of the
9848 estimated current replacement cost of the system, as disclosed
9849 and substantiated pursuant to s. 718.616(3)(b), multiplied by a
9850 fraction, the numerator of which shall be the lesser of the age
9851 of the system in years or 9, and the denominator of which shall
9852 be 10. When such air-conditioning system is within 1,000 yards
9853 of the seacoast, the numerator shall be the lesser of the age of
9854 the system in years or 3, and the denominator shall be 4.

9855 2. The developer shall fund a plumbing reserve account.
 9856 The amount of the funding shall be the product of the estimated
 9857 current replacement cost of the plumbing component, as disclosed
 9858 and substantiated pursuant to s. 718.616(3)(b), multiplied by a
 9859 fraction, the numerator of which shall be the lesser of the age
 9860 of the plumbing in years or 36, and the denominator of which
 9861 shall be 40.

9862 3. The developer shall fund a roof reserve account. The
 9863 amount of the funding shall be the product of the estimated
 9864 current replacement cost of the roofing component, as disclosed
 9865 and substantiated pursuant to s. 718.616(3)(b), multiplied by a
 9866 fraction, the numerator of which shall be the lesser of the age
 9867 of the roof in years or the numerator listed in the following
 9868 table. The denominator of the fraction shall be determined based
 9869 on the roof type, as follows:

Roof Type	Numerator	Denominator
a. Built-up roof without insulation	4	5
b. Built-up roof with insulation	4	5
c. Cement tile roof	<u>25</u> 45	<u>30</u> 50

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9875	d. Asphalt shingle roof	14	15
9876	e. Copper roof	<u>30</u>	<u>35</u>
9877	f. Wood shingle roof	9	10
9878	g. All other types	18	20

9879 (b) The age of any component or structure for which the
 9880 developer is required to fund a reserve account shall be
 9881 measured in years, rounded to the nearest whole year. The amount
 9882 of converter reserves to be funded by the developer for each
 9883 structure or component shall be based on the age of the
 9884 structure or component as disclosed in the inspection report.
 9885 The architect or engineer shall determine the age of the
 9886 component from the later of:

9887 1. The date when the component or structure was replaced
 9888 or substantially renewed, if the replacement or renewal of the
 9889 component at least met the requirements of the then-applicable
 9890 building code; or

9891 2. The date when the installation or construction of the
 9892 existing component or structure was completed.

9893 (c) When the age of a component or structure is to be
 9894 measured from the date of replacement or renewal, the developer
 9895 shall provide the division with a certificate, under the seal of
 9896 an architect or engineer authorized to practice in this state,

9897 | verifying:

9898 | 1. The date of the replacement or renewal; and

9899 | 2. That the replacement or renewal at least met the
9900 | requirements of the then-applicable building code.

9901 | (d) In addition to establishing the reserve accounts
9902 | specified above, the developer shall establish those other
9903 | reserve accounts required by s. 718.112(g) ~~718.112(2)(f)~~, and
9904 | shall fund those accounts in accordance with the formula
9905 | provided therein. The vote to waive or reduce the funding or
9906 | reserves required by s. 718.112(g) ~~718.112(2)(f)~~ does not affect
9907 | or negate the obligations arising under this section.

9908 | (2)(a) The developer shall fund the reserve account
9909 | required by subsection (1), on a pro rata basis upon the sale of
9910 | each unit. The developer shall deposit in the reserve account
9911 | not less than a percentage of the total amount to be deposited
9912 | in the reserve account equal to the percentage of ownership of
9913 | the common elements allocable to the unit sold. When a developer
9914 | deposits amounts in excess of the minimum reserve account
9915 | funding, later deposits may be reduced to the extent of the
9916 | excess funding. For the purposes of this subsection, a unit is
9917 | considered sold when a fee interest in the unit is transferred
9918 | to a third party or the unit is leased for a period in excess of
9919 | 5 years.

9920 | (b) When an association makes an expenditure of converter
9921 | reserve account funds before the developer has sold all units,
9922 | the developer shall make a deposit in the reserve account. Such

9923 deposit shall be at least equal to that portion of the
 9924 expenditure which would be charged against the reserve account
 9925 deposit that would have been made for any such unit had the unit
 9926 been sold. Such deposit may be reduced to the extent the
 9927 developer has funded the reserve account in excess of the
 9928 minimum reserve account funding required by this subsection.
 9929 This paragraph applies only when the developer has funded
 9930 reserve accounts as provided by paragraph (a).

9931 (3) The use of reserve account funds, as provided in this
 9932 section, is limited as follows:

9933 (a) Reserve account funds may be spent prior to the
 9934 assumption of control of the association by unit owners other
 9935 than the developer; and

9936 (b) Reserve account funds may be expended only for repair
 9937 or replacement of the specific components for which the funds
 9938 were deposited, unless, after assumption of control of the
 9939 association by unit owners other than the developer, it is
 9940 determined by three-fourths of the voting interests in the
 9941 common interest community ~~condominium~~ to expend the funds for
 9942 other purposes.

9943 (4) The developer shall establish the reserve account, as
 9944 provided in this section, in the name of the association at a
 9945 bank, savings and loan association, or trust company located in
 9946 this state.

9947 (5) A developer may establish and fund additional
 9948 converter reserve accounts. The amount of funding shall be the

9949 product of the estimated current replacement cost of a
 9950 component, as disclosed and substantiated pursuant to s.
 9951 718.616(3)(b), multiplied by a fraction, the numerator of which
 9952 is the age of the component in years and the denominator of
 9953 which is the total estimated life of the component in years.

9954 (6) A developer makes no implied warranties when existing
 9955 improvements are converted to ownership as a residential common
 9956 interest community ~~condominium~~ and reserve accounts are funded
 9957 in accordance with this section. As an alternative to
 9958 establishing such reserve accounts, or when a developer fails to
 9959 establish the reserve accounts in accordance with this section,
 9960 the developer shall be deemed to have granted to the purchaser
 9961 of each unit an implied warranty of fitness and merchantability
 9962 for the purposes or uses intended. The warranty shall be for a
 9963 period beginning with the notice of intended conversion and
 9964 continuing for 3 years thereafter, or the recording of the
 9965 declaration to common interest community ~~condominium~~ and
 9966 continuing for 3 years thereafter, or 1 year after owners other
 9967 than the developer obtain control of the association, whichever
 9968 occurs last, but in no event more than 5 years.

9969 (a) The warranty provided for in this section is
 9970 conditioned upon routine maintenance being performed, unless the
 9971 maintenance is an obligation of the developer or a developer-
 9972 controlled association.

9973 (b) The warranty shall inure to the benefit of each owner
 9974 and successor owner.

9975 (c) Existing improvements converted to residential common
 9976 interest community ~~condominium~~ may be covered by an insured
 9977 warranty program underwritten by an insurance company authorized
 9978 to do business in this state, if such warranty program meets the
 9979 minimum requirements of this chapter. To the degree that the
 9980 warranty program does not meet the minimum requirements of this
 9981 chapter, such requirements shall apply.

9982 (7) When a developer desires to post a surety bond, the
 9983 developer shall, after notification to the buyer, acquire a
 9984 surety bond issued by a company licensed to do business in this
 9985 state, if such a bond is readily available in the open market,
 9986 in an amount which would be equal to the total amount of all
 9987 reserve accounts required under subsection (1), payable to the
 9988 association.

9989 (8) The amended provisions of this section do not affect a
 9990 conversion of existing improvements when a developer has filed a
 9991 notice of intended conversion and the documents required by s.
 9992 718.503 or s. 718.504, as applicable, with the division prior to
 9993 the effective date of this law, provided:

9994 (a) The documents are proper for filing purposes.

9995 (b) The developer, not later than 6 months after such
 9996 filing:

9997 1. Records a declaration for such filing in accordance
 9998 with part I.

9999 2. Gives a notice of intended conversion.

10000 (9) This section applies only to the conversion of

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10001 existing improvements where construction of the improvement was
 10002 commenced prior to its designation by the developer as a common
 10003 interest community ~~condominium~~. In such circumstances, s.
 10004 718.203 does not apply.

10005 (10) A developer who sells a common interest community
 10006 ~~condominium~~ parcel that is subject to this part shall disclose
 10007 in conspicuous type in the contract of sale whether the
 10008 developer has established converter reserve accounts, provided a
 10009 warranty of fitness and merchantability, or posted a surety bond
 10010 for purposes of complying with this section.

10011 Section 103. Section 718.62, Florida Statutes, is amended
 10012 to read:

10013 718.62 Prohibition of discrimination against nonpurchasing
 10014 tenants.—When existing improvements are converted to common
 10015 interest community ~~condominium~~, tenants who have not purchased a
 10016 unit in the common interest community ~~condominium~~ being created
 10017 shall, during the remaining term of the rental agreement and any
 10018 extension thereof, be entitled to the same rights, privileges,
 10019 and services that were enjoyed by all tenants prior to the date
 10020 of the written notice of conversion and that are granted,
 10021 offered, or provided to purchasers.

10022 Section 104. Section 718.621, Florida Statutes, is amended
 10023 to read:

10024 718.621 Rulemaking authority.—The division is authorized
 10025 to adopt rules pursuant to the Administrative Procedure Act to
 10026 administer and ensure compliance with developers' obligations

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10027 with respect to common interest community ~~condominium~~
 10028 conversions concerning the filing and noticing of intended
 10029 conversion, rental agreement extensions, rights of first
 10030 refusal, and disclosure and postpurchase protections.

10031 Section 105. Section 718.701, Florida Statutes, is amended
 10032 to read:

10033 718.701 Short title.—This part may be cited as the
 10034 "Distressed Common Interest Community ~~Condominium~~ Relief Act."

10035 Section 106. Section 718.702, Florida Statutes, is amended
 10036 to read:

10037 718.702 Legislative intent.—

10038 (1) The Legislature acknowledges the massive downturn in
 10039 the common interest community ~~condominium~~ market that ~~which~~ has
 10040 occurred throughout the state and the impact of such downturn on
 10041 developers, lenders, unit owners, and common interest community
 10042 ~~condominium~~ associations. Numerous common interest community
 10043 ~~condominium~~ projects have failed or are in the process of
 10044 failing such that the common interest community ~~condominium~~ has
 10045 a small percentage of third-party unit owners as compared to the
 10046 unsold inventory of units. As a result of the inability to find
 10047 purchasers for this inventory of units, that ~~which~~ results in
 10048 part from the devaluing of real estate in this state, developers
 10049 are unable to satisfy the requirements of their lenders, leading
 10050 to defaults on mortgages. Consequently, lenders are faced with
 10051 the task of finding a solution to the problem in order to
 10052 receive payment for their investments.

10053 (2) The Legislature recognizes that all of the factors
 10054 listed in this section lead to common interest communities
 10055 ~~condominiums~~ becoming distressed, resulting in detriment to the
 10056 unit owners and the common interest community ~~condominium~~
 10057 association due to the resulting shortage of assessment moneys
 10058 available for proper maintenance of the common interest
 10059 community ~~condominium~~. Such shortage and the resulting lack of
 10060 proper maintenance further erodes property values. The
 10061 Legislature finds that individuals and entities within this
 10062 state and in other states have expressed interest in purchasing
 10063 unsold inventory in one or more common interest community
 10064 ~~condominium~~ projects, but are reticent to do so because of
 10065 accompanying liabilities inherited from the original developer,
 10066 which are by definition imputed to the successor purchaser,
 10067 including a foreclosing mortgagee. This results in the potential
 10068 successor purchaser having unknown and unquantifiable risks that
 10069 the potential purchaser is unwilling to accept. As a result,
 10070 common interest community ~~condominium~~ projects stagnate, leaving
 10071 all parties involved at an impasse and without the ability to
 10072 find a solution.

10073 (3) The Legislature declares that it is the public policy
 10074 of this state to protect the interests of developers, lenders,
 10075 unit owners, and common interest community ~~condominium~~
 10076 associations with regard to distressed common interest
 10077 communities ~~condominiums~~, and that there is a need for relief
 10078 from certain provisions of the Common Interest Community ~~Florida~~

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10079 ~~Condominium~~ Act geared toward enabling economic opportunities
 10080 for successor purchasers, including foreclosing mortgagees. Such
 10081 relief would benefit existing unit owners and common interest
 10082 community ~~condominium~~ associations. The Legislature further
 10083 finds and declares that this situation cannot be open-ended
 10084 without potentially prejudicing the rights of unit owners and
 10085 common interest community ~~condominium~~ associations, and thereby
 10086 declares that the provisions of this part may be used by
 10087 purchasers of common interest community ~~condominium~~ inventory
 10088 for only a specific and defined period.

10089 Section 107. Section 718.703, Florida Statutes, is amended
 10090 to read:

10091 718.703 Definitions.—As used in this part, the term:

10092 (1) "Bulk assignee" means a person who is not a bulk buyer
 10093 and who:

10094 (a) Acquires more than seven common interest community
 10095 ~~condominium~~ parcels in a single common interest community
 10096 ~~condominium~~ as set forth in s. 718.707; and

10097 (b) Receives an assignment of any of the developer rights,
 10098 other than or in addition to those rights described in
 10099 subsection (2), as set forth in the declaration of common
 10100 interest community ~~condominium~~ or this chapter:

10101 1. By a written instrument recorded as part of or as an
 10102 exhibit to the deed;

10103 2. By a separate instrument recorded in the public records
 10104 of the county in which the common interest community ~~condominium~~

10105 is located; or

10106 3. Pursuant to a final judgment or certificate of title
 10107 issued in favor of a purchaser at a foreclosure sale.

10108
 10109 A mortgagee or its assignee may not be deemed a bulk assignee or
 10110 a developer by reason of the acquisition of common interest
 10111 community condominium units and receipt of an assignment of some
 10112 or all of a developer's rights unless the mortgagee or its
 10113 assignee exercises any of the developer rights other than those
 10114 described in subsection (2).

10115 (2) "Bulk buyer" means a person who acquires more than
 10116 seven common interest community condominium parcels in a single
 10117 common interest community condominium as set forth in s.
 10118 718.707, but who does not receive an assignment of any developer
 10119 rights, or receives only some or all of the following rights:

10120 (a) The right to conduct sales, leasing, and marketing
 10121 activities within the common interest community condominium;

10122 (b) The right to be exempt from the payment of working
 10123 capital contributions to the common interest community
 10124 ~~condominium~~ association arising out of, or in connection with,
 10125 the bulk buyer's acquisition of the units; and

10126 (c) The right to be exempt from any rights of first
 10127 refusal which may be held by the common interest community
 10128 ~~condominium~~ association and would otherwise be applicable to
 10129 subsequent transfers of title from the bulk buyer to a third
 10130 party purchaser concerning one or more units.

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10131 Section 108. Section 718.704, Florida Statutes, is amended
 10132 to read:

10133 718.704 Assignment and assumption of developer rights by
 10134 bulk assignee; bulk buyer.—

10135 (1) A bulk assignee is deemed to have assumed and is
 10136 liable for all duties and responsibilities of the developer
 10137 under the declaration and this chapter upon its acquisition of
 10138 title to units and continuously thereafter, except that it is
 10139 not liable for:

10140 (a) Warranties of the developer under s. 718.203(1) or s.
 10141 718.618, except as expressly provided by the bulk assignee in a
 10142 prospectus or offering circular, or the contract for purchase
 10143 and sale executed with a purchaser, or for design, construction,
 10144 development, or repair work performed by or on behalf of the
 10145 bulk assignee.

10146 (b) The obligation to:

10147 1. Fund converter reserves under s. 718.618 for a unit
 10148 that was not acquired by the bulk assignee; or

10149 2. Provide implied warranties on any portion of the common
 10150 interest community ~~condominium~~ property except as expressly
 10151 provided by the bulk assignee in a prospectus or offering
 10152 circular, or the contract for purchase and sale executed with a
 10153 purchaser, or for design, construction, development, or repair
 10154 work performed by or on behalf of the bulk assignee.

10155 (c) The requirement to provide the association with a
 10156 cumulative audit of the association's finances from the date of

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10157 formation of the common interest community ~~condominium~~
10158 association as required by s. 718.301(4)(c). However, the bulk
10159 assignee must provide an audit for the period during which the
10160 bulk assignee elects or appoints a majority of the members of
10161 the board of administration.

10162 (d) Any liability arising out of or in connection with
10163 actions taken by the board of administration or the developer-
10164 appointed directors before the bulk assignee elects or appoints
10165 a majority of the members of the board of administration.

10166 (e) Any liability for or arising out of the developer's
10167 failure to fund previous assessments or to resolve budgetary
10168 deficits in relation to a developer's right to guarantee
10169 assessments, except as otherwise provided in subsection (2).

10170

10171 The bulk assignee is responsible only for delivering documents
10172 and materials in accordance with s. 718.705(3). A bulk assignee
10173 may expressly assume some or all of the developer obligations
10174 described in paragraphs (a)-(e).

10175 (2) A bulk assignee assigned the developer right to
10176 guarantee the level of assessments and fund budgetary deficits
10177 pursuant to s. 718.116 assumes and is liable for all obligations
10178 of the developer with respect to such guarantee upon its
10179 acquisition of title to the units and continuously thereafter,
10180 including any applicable funding of reserves to the extent
10181 required by law, for as long as the guarantee remains in effect.
10182 A bulk assignee not receiving such assignment, or a bulk buyer,

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10183 does not assume and is not liable for the obligations of the
 10184 developer with respect to such guarantee, but is responsible for
 10185 payment of assessments due on or after acquisition of the units
 10186 in the same manner as all other owners of common interest
 10187 community condominium parcels or as otherwise provided in s.
 10188 718.116.

10189 (3) A bulk buyer is liable for the duties and
 10190 responsibilities of a developer under the declaration and this
 10191 chapter only to the extent that such duties or responsibilities
 10192 are expressly assumed in writing by the bulk buyer.

10193 (4) An acquirer of common interest community condominium
 10194 parcels is not a bulk assignee or a bulk buyer if the transfer
 10195 to such acquirer was made:

10196 (a) Before the effective date of this part;

10197 (b) With the intent to hinder, delay, or defraud any
 10198 purchaser, unit owner, or the association; or

10199 (c) By a person who would be considered an insider under
 10200 s. 726.102.

10201 (5) An assignment of developer rights to a bulk assignee
 10202 may be made by a developer, a previous bulk assignee, a
 10203 mortgagee or assignee who has acquired title to the units and
 10204 received an assignment of rights, or a court acting on behalf of
 10205 the developer or the previous bulk assignee if such developer
 10206 rights are held by the predecessor in title to the bulk
 10207 assignee. At any particular time, there may not be more than one
 10208 bulk assignee within a common interest community condominium;

10209 however, there may be more than one bulk buyer. If more than one
 10210 acquirer of common interest community ~~condominium~~ parcels in the
 10211 same common interest community ~~condominium~~ receives an
 10212 assignment of developer rights in addition to those rights
 10213 described in s. 718.703(2), the bulk assignee is the acquirer
 10214 whose instrument of assignment is recorded first in the public
 10215 records of the county in which the common interest community
 10216 ~~condominium~~ is located, and any subsequent purported bulk
 10217 assignee may still qualify as a bulk buyer.

10218 Section 109. Section 718.705, Florida Statutes, is amended
 10219 to read:

10220 718.705 Board of administration; transfer of control.—

10221 (1) If, at the time the bulk assignee acquires title to
 10222 the units and receives an assignment of developer rights, the
 10223 developer has not relinquished control of the board of
 10224 administration, for purposes of determining the timing for
 10225 transfer of control of the board of administration of the
 10226 association, a common interest community ~~condominium~~ parcel
 10227 acquired by the bulk assignee is not deemed to be conveyed to a
 10228 purchaser, or owned by an owner other than the developer, until
 10229 the common interest community ~~condominium~~ parcel is conveyed to
 10230 an owner who is not a bulk assignee.

10231 (2) Unless control of the board of administration of the
 10232 association has already been relinquished pursuant to s.
 10233 718.301(1), the bulk assignee must relinquish control of the
 10234 association pursuant to s. 718.301 and this part, as if the bulk

10235 assignee were the developer.

10236 (3) If a bulk assignee relinquishes control of the board
10237 of administration as set forth in s. 718.301, the bulk assignee
10238 must deliver all of those items required by s. 718.301(4).
10239 However, the bulk assignee is not required to deliver items and
10240 documents not in the possession of the bulk assignee if some
10241 items were or should have been in existence before the bulk
10242 assignee's acquisition of the units. In conjunction with the
10243 acquisition of units, a bulk assignee shall undertake a good
10244 faith effort to obtain the documents and materials that must be
10245 provided to the association pursuant to s. 718.301(4). If the
10246 bulk assignee is not able to obtain such documents and
10247 materials, the bulk assignee must certify in writing to the
10248 association the names or descriptions of the documents and
10249 materials that were not obtainable by the bulk assignee.
10250 Delivery of the certificate relieves the bulk assignee of
10251 responsibility for delivering the documents and materials
10252 referenced in the certificate as otherwise required under ss.
10253 718.112 and 718.301 and this part. The responsibility of the
10254 bulk assignee for the audit required by s. 718.301(4) commences
10255 as of the date on which the bulk assignee elected or appointed a
10256 majority of the members of the board of administration.

10257 (4) If a conflict arises between the provisions or
10258 application of this section and s. 718.301, this section
10259 prevails.

10260 (5) Failure of a bulk assignee or bulk buyer to

10261 substantially comply with all the requirements in this part
 10262 results in the loss of any and all protections or exemptions
 10263 provided under this part.

10264 Section 110. Section 718.706, Florida Statutes, is amended
 10265 to read:

10266 718.706 Specific provisions pertaining to offering of
 10267 units by a bulk assignee or bulk buyer.—

10268 (1) Before offering more than seven units in a single
 10269 common interest community ~~condominium~~ for sale or for lease for
 10270 a term exceeding 5 years, a bulk assignee or a bulk buyer must
 10271 file the following documents with the division and provide such
 10272 documents to a prospective purchaser or tenant:

10273 (a) An updated prospectus or offering circular, or a
 10274 supplement to the prospectus or offering circular, filed by the
 10275 original developer prepared in accordance with s. 718.504, which
 10276 must include the form of contract for sale and for lease in
 10277 compliance with s. 718.503(2);

10278 (b) An updated Frequently Asked Questions and Answers
 10279 sheet;

10280 (c) The executed escrow agreement if required under s.
 10281 718.202; and

10282 (d) The financial information required by s. 718.111(13).
 10283 However, if a financial information report did not exist before
 10284 the acquisition of title by the bulk assignee or bulk buyer, and
 10285 if accounting records that permit preparation of the required
 10286 financial information report for that period cannot be obtained

10287 despite good faith efforts by the bulk assignee or the bulk
 10288 buyer, the bulk assignee or bulk buyer is excused from the
 10289 requirement of this paragraph. However, the bulk assignee or
 10290 bulk buyer must include in the purchase contract the following
 10291 statement in conspicuous type:

10292 ALL OR A PORTION OF THE FINANCIAL INFORMATION REPORT REQUIRED
 10293 UNDER S. 718.111(13) FOR THE TIME PERIOD BEFORE THE SELLER'S
 10294 ACQUISITION OF THE UNIT IS NOT AVAILABLE OR CANNOT BE OBTAINED
 10295 DESPITE THE GOOD FAITH EFFORTS OF THE SELLER.

10296 (2) Before offering more than seven units in a single
 10297 common interest community ~~condominium~~ for sale or for lease for
 10298 a term exceeding 5 years, a bulk assignee or a bulk buyer must
 10299 file with the division and provide to a prospective purchaser or
 10300 tenant under a lease for a term exceeding 5 years a disclosure
 10301 statement that includes, but is not limited to:

10302 (a) A description of any of the developer rights that have
 10303 been assigned to the bulk assignee or bulk buyer;

10304 (b) The following statement in conspicuous type:
 10305 THE SELLER IS NOT OBLIGATED FOR ANY WARRANTIES OF THE DEVELOPER
 10306 UNDER S. 718.203(1) OR S. 718.618, AS APPLICABLE, EXCEPT FOR
 10307 DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR WORK PERFORMED BY
 10308 OR ON BEHALF OF THE SELLER; and

10309 (c) If the common interest community ~~condominium~~ is a
 10310 conversion subject to part VI, the following statement in
 10311 conspicuous type:
 10312 THE SELLER HAS NO OBLIGATION TO FUND CONVERTER RESERVES OR TO

10313 PROVIDE CONVERTER WARRANTIES UNDER S. 718.618 ON ANY PORTION OF
 10314 THE COMMON INTEREST COMMUNITY ~~CONDOMINIUM~~ PROPERTY EXCEPT AS
 10315 EXPRESSLY REQUIRED OF THE SELLER IN THE CONTRACT FOR PURCHASE
 10316 AND SALE EXECUTED BY THE SELLER AND THE PREVIOUS DEVELOPER AND
 10317 PERTAINING TO ANY DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR
 10318 WORK PERFORMED BY OR ON BEHALF OF THE SELLER.

10319 (3) A bulk assignee, while in control of the board of
 10320 administration of the association, may not authorize, on behalf
 10321 of the association:

10322 ~~(a) The waiver of reserves or the reduction of funding of~~
 10323 ~~the reserves pursuant to s. 718.112(2)(f)2., unless approved by~~
 10324 ~~a majority of the voting interests not controlled by the~~
 10325 ~~developer, bulk assignee, and bulk buyer; or~~

10326 ~~(b) The use of reserve expenditures for other purposes~~
 10327 ~~pursuant to s. 718.112(2)(g)4. ~~718.112(2)(f)3.~~, unless approved~~
 10328 ~~by a majority of the voting interests not controlled by the~~
 10329 ~~developer, bulk assignee, and bulk buyer.~~

10330 (4) A bulk assignee or a bulk buyer must comply with s.
 10331 718.302 regarding any contracts entered into by the association
 10332 during the period the bulk assignee or bulk buyer maintains
 10333 control of the board of administration. Unit owners shall be
 10334 provided all of the rights and protections contained in s.
 10335 718.302 regarding agreements entered into by the association
 10336 which are under the control of the developer, bulk assignee, or
 10337 bulk buyer.

10338 (5) Notwithstanding any other provision of this part, a

10339 bulk assignee or a bulk buyer is not required to comply with the
 10340 filing or disclosure requirements of subsections (1) and (2) if
 10341 all of the units owned by the bulk assignee or bulk buyer are
 10342 offered and conveyed to a single purchaser in a single
 10343 transaction.

10344 Section 111. Section 718.707, Florida Statutes, is amended
 10345 to read:

10346 718.707 Time limitation for classification as bulk
 10347 assignee or bulk buyer.—A person acquiring common interest
 10348 community ~~condominium~~ parcels may not be classified as a bulk
 10349 assignee or bulk buyer unless the common interest community
 10350 ~~condominium~~ parcels were acquired on or after July 1, 2010, but
 10351 before July 1, 2018. The date of such acquisition shall be
 10352 determined by the date of recording a deed or other instrument
 10353 of conveyance for such parcels in the public records of the
 10354 county in which the common interest community ~~condominium~~ is
 10355 located, or by the date of issuing a certificate of title in a
 10356 foreclosure proceeding with respect to such common interest
 10357 community ~~condominium~~ parcels.

10358 Section 112. Part VII of chapter 718, Florida Statutes,
 10359 consisting of ss. 718.701, 718.702, 718.703, 718.704, 718.705,
 10360 718.706, 718.707, and 718.708, is repealed.

10361 Section 113. Chapter 719, Florida Statutes, consisting of
 10362 ss. 719.101, 719.102, 719.103, 719.1035, 719.104, 719.105,
 10363 719.1055, 719.106, 719.1064, 719.1065, 719.107, 719.108,
 10364 719.109, 719.110, 719.111, 719.112, 719.1124, 719.114, 719.115,

10365 719.1255, 719.127, 719.128, 719.129, 719.202, 719.203, 719.301,
 10366 719.302, 719.3026, 719.303, 719.304, 719.401, 719.4015, 719.402,
 10367 719.403, 719.501, 719.502, 719.503, 719.504, 719.505, 719.506,
 10368 719.507, 719.508, 719.604, 719.606, 719.608, 719.61, 719.612,
 10369 719.614, 719.616, 719.618, 719.62, 719.621, and 719.622, is
 10370 repealed.

10371 Section 114. Chapter 720, Florida Statutes, consisting of
 10372 ss. 720.301, 720.3015, 720.302, 720.303, 720.3033, 720.3035,
 10373 720.304, 720.305, 720.3053, 720.3055, 720.306, 720.307,
 10374 720.3075, 720.308, 720.3085, 720.30851, 720.3086, 720.309,
 10375 720.31, 720.311, 720.312, 720.313, 720.315, 720.316, 720.317,
 10376 720.401, 720.402, 720.403, 720.404, 720.405, 720.406, and
 10377 720.407, is repealed.

10378 Section 115. Subsections (2) and (3) of section 721.03,
 10379 Florida Statutes, are amended to read:

10380 721.03 Scope of chapter.—

10381 (2) When a timeshare plan is subject to both the
 10382 provisions of this chapter and the provisions of chapter 718 ~~or~~
 10383 ~~chapter 719~~, the plan shall meet the requirements of both
 10384 chapters unless exempted as provided in this section. The
 10385 division shall have the authority to adopt rules differentiating
 10386 between timeshare condominiums and nontimeshare condominiums,
 10387 and between timeshare cooperatives and nontimeshare
 10388 cooperatives, in the interpretation and implementation of
 10389 chapter ~~chapters~~ 718 ~~and 719, respectively~~. In the event of a
 10390 conflict between the provisions of this chapter and the

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10391 provisions of chapter 718 ~~or chapter 719~~, the provisions of this
 10392 chapter shall prevail.

10393 (3) A timeshare plan which is subject to the provisions of
 10394 chapter 718 ~~or chapter 719~~, if fully in compliance with the
 10395 provisions of this chapter, is exempt from the following:

10396 (a) Section ~~Sections~~ 718.202 and ~~719.202~~, relating to
 10397 sales or reservation deposits prior to closing.

10398 (b) Section ~~Sections~~ 718.502 and ~~719.502~~, relating to
 10399 filing prior to sale or lease.

10400 (c) Section ~~Sections~~ 718.503 and ~~719.503~~, relating to
 10401 disclosure prior to sale.

10402 (d) Section ~~Sections~~ 718.504 and ~~719.504~~, relating to
 10403 prospectus or offering circular.

10404 (e) Part VI of chapter 718 and ~~part VI of chapter 719~~,
 10405 relating to conversion of existing improvements to the
 10406 condominium or cooperative form of ownership, respectively,
 10407 provided that a developer converting existing improvements to a
 10408 timeshare condominium or timeshare cooperative must comply with
 10409 ss. 718.606, 718.608, 718.61, and 718.62, ~~or ss. 719.606,~~
 10410 ~~719.608, 719.61, and 719.62~~, if applicable, and, if the existing
 10411 improvements received a certificate of occupancy more than 18
 10412 months before such conversion, one of the following:

10413 1. The accommodations and facilities shall be renovated
 10414 and improved to a condition such that the remaining useful life
 10415 in years of the roof, plumbing, air-conditioning, and any
 10416 component of the structure which has a useful life less than the

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10417 useful life of the overall structure is equal to the useful life
10418 of accommodations or facilities that would exist if such
10419 accommodations and facilities were newly constructed and not
10420 previously occupied.

10421 2. The developer shall fund reserve accounts for capital
10422 expenditures and deferred maintenance for the roof, plumbing,
10423 air-conditioning, and any component of the structure the useful
10424 life of which is less than the useful life of the overall
10425 structure. The reserve accounts shall be funded for each
10426 component in an amount equal to the product of the estimated
10427 current replacement cost of such component as of the date of
10428 such conversion (as disclosed and substantiated by a certificate
10429 under the seal of an architect or engineer authorized to
10430 practice in this state) multiplied by a fraction, the numerator
10431 of which shall be the age of the component in years (as
10432 disclosed and substantiated by a certificate under the seal of
10433 an architect or engineer authorized to practice in this state)
10434 and the denominator of which shall be the total useful life of
10435 the component in years (as disclosed and substantiated by a
10436 certificate under the seal of an architect or engineer
10437 authorized to practice in this state). Alternatively, the
10438 reserve accounts may be funded for each component in an amount
10439 equal to the amount that, except for the application of this
10440 subsection, would be required to be maintained pursuant to s.
10441 718.618(1) ~~or s. 719.618(1)~~. The developer shall fund the
10442 reserve accounts contemplated in this subparagraph out of the

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10443 proceeds of each sale of a timeshare interest, on a pro rata
10444 basis, in an amount not less than a percentage of the total
10445 amount to be deposited in the reserve account equal to the
10446 percentage of ownership allocable to the timeshare interest
10447 sold. When an owners' association makes an expenditure of
10448 reserve account funds before the developer has initially sold
10449 all timeshare interests, the developer shall make a deposit in
10450 the reserve account if the reserve account is insufficient to
10451 pay the expenditure. Such deposit shall be at least equal to
10452 that portion of the expenditure which would be charged against
10453 the reserve account deposit that would have been made for any
10454 such timeshare interest had the timeshare interest been
10455 initially sold. When a developer deposits amounts in excess of
10456 the minimum reserve account funding, later deposits may be
10457 reduced to the extent of the excess funding.

10458 3. The developer shall provide each purchaser with a
10459 warranty of fitness and merchantability pursuant to s.
10460 718.618(6) ~~or s. 719.618(6)~~.

10461 Section 116. Subsections (11), (34), and (40) of section
10462 721.05, Florida Statutes, are amended to read:

10463 721.05 Definitions.—As used in this chapter, the term:

10464 (11) "Division" means the Division of Common Interest
10465 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes~~
10466 of the Department of Business and Professional Regulation.

10467 (34) "Timeshare estate" means a right to occupy a
10468 timeshare unit, coupled with a freehold estate or an estate for

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10469 years with a future interest in a timeshare property or a
10470 specified portion thereof, or coupled with an ownership interest
10471 in a common interest community ~~condominium~~ unit pursuant to s.
10472 718.103, ~~an ownership interest in a cooperative unit pursuant to~~
10473 ~~s. 719.103~~, or a direct or indirect beneficial interest in a
10474 trust that complies in all respects with s. 721.08(2)(c)4. or s.
10475 721.53(1)(e), provided that the trust does not contain any
10476 personal property timeshare interests. A timeshare estate is a
10477 parcel of real property under the laws of this state.

10478 (40) "Timeshare property" means one or more timeshare
10479 units subject to the same timeshare instrument, together with
10480 any other property or rights to property appurtenant to those
10481 timeshare units. Notwithstanding anything to the contrary
10482 contained in chapter 718 ~~or chapter 719~~, the timeshare
10483 instrument for a timeshare common interest community ~~condominium~~
10484 or cooperative may designate personal property, contractual
10485 rights, affiliation agreements of component sites of vacation
10486 clubs, exchange companies, or reservation systems, or any other
10487 agreements or personal property, as common elements or limited
10488 common elements of the timeshare common interest community
10489 ~~condominium~~ or cooperative.

10490 Section 117. Paragraph (d) of subsection (2) of section
10491 721.07, Florida Statutes, is amended to read:

10492 721.07 Public offering statement.—Prior to offering any
10493 timeshare plan, the developer must submit a filed public
10494 offering statement to the division for approval as prescribed by

10495 s. 721.03, s. 721.55, or this section. Until the division
 10496 approves such filing, any contract regarding the sale of that
 10497 timeshare plan is subject to cancellation by the purchaser
 10498 pursuant to s. 721.10.

10499 (2)

10500 (d) A developer shall have the authority to deliver to
 10501 purchasers any purchaser public offering statement that is not
 10502 yet approved by the division, provided that the following shall
 10503 apply:

10504 1. At the time the developer delivers an unapproved
 10505 purchaser public offering statement to a purchaser pursuant to
 10506 this paragraph, the developer shall deliver a fully completed
 10507 and executed copy of the purchase contract required by s. 721.06
 10508 that contains the following statement in conspicuous type in
 10509 substantially the following form which shall replace the
 10510 statements required by s. 721.06(1)(g):

10511 The developer is delivering to you a public offering statement
 10512 that has been filed with but not yet approved by the Division of
 10513 Common Interest Communities ~~Florida Condominiums, Timeshares,~~
 10514 ~~and Mobile Homes~~. Any revisions to the unapproved public
 10515 offering statement you have received must be delivered to you,
 10516 but only if the revisions materially alter or modify the
 10517 offering in a manner adverse to you. After the division approves
 10518 the public offering statement, you will receive notice of the
 10519 approval from the developer and the required revisions, if any.
 10520 Your statutory right to cancel this transaction without any

10521 penalty or obligation expires 10 calendar days after the date
 10522 you signed your purchase contract or the date on which you
 10523 receive the last of all documents required to be given to you
 10524 pursuant to section 721.07(6), Florida Statutes, or 10 calendar
 10525 days after you receive revisions required to be delivered to
 10526 you, if any, whichever is later. If you decide to cancel this
 10527 contract, you must notify the seller in writing of your intent
 10528 to cancel. Your notice of cancellation shall be effective upon
 10529 the date sent and shall be sent to ...(Name of Seller)... at
 10530 ...(Address of Seller).... Any attempt to obtain a waiver of
 10531 your cancellation right is void and of no effect. While you may
 10532 execute all closing documents in advance, the closing, as
 10533 evidenced by delivery of the deed or other document, before
 10534 expiration of your 10-day cancellation period, is prohibited.

10535 2. After receipt of approval from the division and prior
 10536 to closing, if any revisions made to the documents contained in
 10537 the purchaser public offering statement materially alter or
 10538 modify the offering in a manner adverse to a purchaser, the
 10539 developer shall send the purchaser such revisions, together with
 10540 a notice containing a statement in conspicuous type in
 10541 substantially the following form:

10542 The unapproved public offering statement previously delivered to
 10543 you, together with the enclosed revisions, has been approved by
 10544 the Division of Common Interest Communities Florida
 10545 ~~Condominiums, Timeshares, and Mobile Homes~~. Accordingly, your
 10546 cancellation right expires 10 calendar days after you sign your

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10547 purchase contract or 10 calendar days after you receive these
10548 revisions, whichever is later. If you have any questions
10549 regarding your cancellation rights, you may contact the division
10550 at [insert division's current address].

10551 3. After receipt of approval from the division and prior
10552 to closing, if no revisions have been made to the documents
10553 contained in the unapproved purchaser public offering statement,
10554 or if such revisions do not materially alter or modify the
10555 offering in a manner adverse to a purchaser, the developer shall
10556 send the purchaser a notice containing a statement in
10557 conspicuous type in substantially the following form:

10558 The unapproved public offering statement previously delivered to
10559 you has been approved by the Division of Common Interest
10560 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes.~~

10561 Revisions made to the unapproved public offering statement, if
10562 any, are not required to be delivered to you or are not deemed
10563 by the developer, in its opinion, to materially alter or modify
10564 the offering in a manner that is adverse to you. Accordingly,
10565 your cancellation right expired 10 days after you signed your
10566 purchase contract. A complete copy of the approved public
10567 offering statement is available through the managing entity for
10568 inspection as part of the books and records of the plan. If you
10569 have any questions regarding your cancellation rights, you may
10570 contact the division at [insert division's current address].

10571 Section 118. Paragraph (b) of subsection (5) and
10572 subsection (8) of section 721.08, Florida Statutes, are amended

10573 to read:

10574 721.08 Escrow accounts; nondisturbance instruments;

10575 alternate security arrangements; transfer of legal title.—

10576 (5)

10577 (b) Notwithstanding anything in chapter 718 ~~or chapter 719~~

10578 to the contrary, the director of the division shall have the

10579 discretion to accept other assurances pursuant to paragraph (a)

10580 in lieu of any requirement that completion of construction of

10581 one or more accommodations or facilities of a timeshare plan be

10582 accomplished prior to closing.

10583 (8) An escrow agent holding escrowed funds pursuant to

10584 this chapter that have not been claimed for a period of 5 years

10585 after the date of deposit shall make at least one reasonable

10586 attempt to deliver such unclaimed funds to the purchaser who

10587 submitted such funds to escrow. In making such attempt, an

10588 escrow agent is entitled to rely on a purchaser's last known

10589 address as set forth in the books and records of the escrow

10590 agent and is not required to conduct any further search for the

10591 purchaser. If an escrow agent's attempt to deliver unclaimed

10592 funds to any purchaser is unsuccessful, the escrow agent may

10593 deliver such unclaimed funds to the division and the division

10594 shall deposit such unclaimed funds in the Division of Common

10595 Interest Communities ~~Florida Condominiums, Timeshares, and~~

10596 ~~Mobile Homes~~ Trust Fund, 30 days after giving notice in a

10597 publication of general circulation in the county in which the

10598 timeshare property containing the purchaser's timeshare interest

10599 is located. The purchaser may claim the same at any time prior
 10600 to the delivery of such funds to the division. After delivery of
 10601 such funds to the division, the purchaser shall have no more
 10602 rights to the unclaimed funds. The escrow agent shall not be
 10603 liable for any claims from any party arising out of the escrow
 10604 agent's delivery of the unclaimed funds to the division pursuant
 10605 to this section.

10606 Section 119. Paragraph (b) of subsection (1), paragraphs
 10607 (c), (d), (e), and (j) of subsection (3), paragraph (a) of
 10608 subsection (6), and subsections (7) and (8) of section 721.13,
 10609 Florida Statutes, are amended to read:

10610 721.13 Management.—

10611 (1)

10612 (b)1. With respect to a timeshare plan which is also
 10613 regulated under chapter 718 ~~or chapter 719~~, or which contains a
 10614 mandatory owners' association, the board of administration of
 10615 the owners' association shall be considered the managing entity
 10616 of the timeshare plan.

10617 2. During any period of time in which such owners'
 10618 association has entered into a contract with a manager or
 10619 management firm to provide some or all of the management
 10620 services to the timeshare plan, both the board of administration
 10621 and the manager or management firm shall be considered the
 10622 managing entity of the timeshare plan and shall be jointly and
 10623 severally responsible for the faithful discharge of the duties
 10624 of the managing entity.

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10625 3. An owners' association which is the managing entity of
10626 a timeshare plan that includes condominium units or cooperative
10627 units shall not be considered a condominium association pursuant
10628 to the provisions of chapter 718 ~~or a cooperative association~~
10629 ~~pursuant to the provisions of chapter 719~~, unless such owners'
10630 association also operates the entire condominium pursuant to s.
10631 718.111 ~~or the entire cooperative pursuant to s. 719.104.~~

10632 (3) The duties of the managing entity include, but are not
10633 limited to:

10634 (c)1. Providing each year to all purchasers an itemized
10635 annual budget which shall include all estimated revenues and
10636 expenses. The budget shall be in the form required by s.
10637 721.07(5)(t). The budget shall be the final budget adopted by
10638 the managing entity for the current fiscal year. The final
10639 adopted budget is not required to be delivered if the managing
10640 entity has previously delivered a proposed annual budget for the
10641 current fiscal year to purchasers in accordance with chapter 718
10642 ~~or chapter 719~~ and the managing entity includes a description of
10643 any changes in the adopted budget with the assessment notice and
10644 a disclosure regarding the purchasers' right to receive a copy
10645 of the adopted budget, if desired. The budget shall contain, as
10646 a footnote or otherwise, any related party transaction
10647 disclosures or notes which appear in the audited financial
10648 statements of the managing entity for the previous budget year
10649 as required by paragraph (e). A copy of the final budget shall
10650 be filed with the division for review within 30 days after the

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10651 beginning of each fiscal year, together with a statement of the
10652 number of periods of 7-day annual use availability that exist
10653 within the timeshare plan, including those periods filed for
10654 sale by the developer but not yet committed to the timeshare
10655 plan, for which annual fees are required to be paid to the
10656 division under s. 721.27.

10657 2. Notwithstanding anything contained in chapter 718 ~~or~~
10658 ~~chapter 719~~ to the contrary, the board of administration of an
10659 owners' association which serves as the managing entity may from
10660 time to time reallocate reserves for deferred maintenance and
10661 capital expenditures required by s. 721.07(5)(t)3.a.(XI) from
10662 any deferred maintenance or capital expenditure reserve account
10663 to any other deferred maintenance or capital expenditure reserve
10664 account or accounts in its discretion without the consent of
10665 purchasers of the timeshare plan. Funds in any deferred
10666 maintenance or capital expenditure reserve account may not be
10667 transferred to any operating account without the consent of a
10668 majority of the purchasers of the timeshare plan. The managing
10669 entity may from time to time transfer excess funds in any
10670 operating account to any deferred maintenance or capital
10671 expenditure reserve account without the vote or approval of
10672 purchasers of the timeshare plan. In the event any amount of
10673 reserves for accommodations and facilities of a timeshare plan
10674 containing timeshare licenses or personal property timeshare
10675 interests exists at the end of the term of the timeshare plan,
10676 such reserves shall be refunded to purchasers on a pro rata

10677 basis.

10678 3. With respect to any timeshare plan that has a managing
10679 entity that is an owners' association, reserves may be waived or
10680 reduced by a majority vote of those voting interests that are
10681 present, in person or by proxy, at a duly called meeting of the
10682 owners' association. If a meeting of the purchasers has been
10683 called to determine whether to waive or reduce the funding of
10684 reserves and no such result is achieved or a quorum is not
10685 attained, the reserves as included in the budget shall go into
10686 effect.

10687 (d)1. Maintenance of all books and records concerning the
10688 timeshare plan so that all such books and records are reasonably
10689 available for inspection by any purchaser or the authorized
10690 agent of such purchaser. For purposes of this subparagraph, the
10691 books and records of the timeshare plan shall be considered
10692 "reasonably available" if copies of the requested portions are
10693 delivered to the purchaser or the purchaser's agent within 7
10694 days after the date the managing entity receives a written
10695 request for the records signed by the purchaser. The managing
10696 entity may charge the purchaser a reasonable fee for copying the
10697 requested information not to exceed 25 cents per page. However,
10698 any purchaser or agent of such purchaser shall be permitted to
10699 personally inspect and examine the books and records wherever
10700 located at any reasonable time, under reasonable conditions, and
10701 under the supervision of the custodian of those records. The
10702 custodian shall supply copies of the records where requested and

10703 upon payment of the copying fee. No fees other than those set
 10704 forth in this section may be charged for the providing of,
 10705 inspection, or examination of books and records. All books and
 10706 financial records of the timeshare plan must be maintained in
 10707 accordance with generally accepted accounting practices.

10708 2. If the books and records of the timeshare plan are not
 10709 maintained on the premises of the accommodations and facilities
 10710 of the timeshare plan, the managing entity shall inform the
 10711 division in writing of the location of the books and records and
 10712 the name and address of the person who acts as custodian of the
 10713 books and records at that location. In the event that the
 10714 location of the books and records changes, the managing entity
 10715 shall notify the division of the change in location and the name
 10716 and address of the new custodian within 30 days after the date
 10717 the books and records are moved. The purchasers shall be
 10718 notified of the location of the books and records and the name
 10719 and address of the custodian in the copy of the annual budget
 10720 provided to them pursuant to paragraph (c).

10721 3. The division is authorized to adopt rules which specify
 10722 those items and matters that shall be included in the books and
 10723 records of the timeshare plan and which specify procedures to be
 10724 followed in requesting and delivering copies of the books and
 10725 records.

10726 4. Notwithstanding any provision of chapter 718 ~~or chapter~~
 10727 ~~719~~ to the contrary, the managing entity may not furnish the
 10728 name, address, or electronic mail address of any purchaser to

10729 any other purchaser or authorized agent thereof unless the
 10730 purchaser whose name, address, or electronic mail address is
 10731 requested first approves the disclosure in writing.

10732 (e) Arranging for an annual audit of the financial
 10733 statements of the timeshare plan by a certified public
 10734 accountant licensed by the Board of Accountancy of the
 10735 Department of Business and Professional Regulation, in
 10736 accordance with generally accepted auditing standards as defined
 10737 by the rules of the Board of Accountancy of the Department of
 10738 Business and Professional Regulation. The financial statements
 10739 required by this section must be prepared on an accrual basis
 10740 using fund accounting, and must be presented in accordance with
 10741 generally accepted accounting principles. A copy of the audited
 10742 financial statements must be filed with the division for review
 10743 and forwarded to the board of directors and officers of the
 10744 owners' association, if one exists, no later than 5 calendar
 10745 months after the end of the timeshare plan's fiscal year. If no
 10746 owners' association exists, each purchaser must be notified, no
 10747 later than 5 months after the end of the timeshare plan's fiscal
 10748 year, that a copy of the audited financial statements is
 10749 available upon request to the managing entity. Notwithstanding
 10750 any requirement of s. 718.111(13) ~~or s. 719.104(4)~~, the audited
 10751 financial statements required by this section are the only
 10752 annual financial reporting requirements for timeshare common
 10753 interest communities ~~condominiums~~ or timeshare cooperatives.

10754 (j) Notwithstanding anything contained in chapter 718 ~~or~~

10755 ~~chapter 719~~ to the contrary, purchasers shall not have the power
 10756 to cancel contracts entered into by the managing entity relating
 10757 to a master or community antenna television system, a franchised
 10758 cable television service, or any similar paid television
 10759 programming service or bulk rate services agreement.

10760 (6) (a) The managing entity of any timeshare plan located
 10761 in this state, including, but not limited to, those plans
 10762 created with respect to a condominium pursuant to chapter 718 ~~or~~
 10763 ~~a cooperative pursuant to chapter 719~~, may deny the use of the
 10764 accommodations and facilities of the timeshare plan, including
 10765 the denial of the right to make a reservation or the
 10766 cancellation of a confirmed reservation for timeshare periods in
 10767 a floating reservation timeshare plan, to any purchaser who is
 10768 delinquent in the payment of any assessments made by the
 10769 managing entity against such purchaser for common expenses or
 10770 for ad valorem real estate taxes pursuant to this chapter or
 10771 pursuant to s. 192.037. Such denial of use shall also extend to
 10772 those parties claiming under the delinquent purchaser described
 10773 in paragraphs (b) and (c). For purposes of this subsection, a
 10774 purchaser shall be considered delinquent in the payment of a
 10775 given assessment only upon the expiration of 60 days after the
 10776 date the assessment is billed to the purchaser or upon the
 10777 expiration of 60 days after the date the assessment is due,
 10778 whichever is later. For purposes of this subsection, an
 10779 affiliated exchange program shall be any exchange program which
 10780 has a contractual relationship with the creating developer or

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10781 the managing entity of the timeshare plan, or any exchange
10782 program that notifies the managing entity in writing that it has
10783 members that are purchasers of the timeshare plan, and the
10784 exchange companies operating such affiliated exchange programs
10785 shall be affiliated exchange companies. Any denial of use for
10786 failure to pay assessments shall be implemented only pursuant to
10787 this subsection.

10788 (7) Unless the articles of incorporation, the bylaws, or
10789 the provisions of this chapter provide for a higher quorum
10790 requirement, the percentage of voting interests required to make
10791 decisions and to constitute a quorum at a meeting of the members
10792 of a timeshare condominium or owners' association shall be 15
10793 percent of the voting interests. If a quorum is not present at
10794 any meeting of the owners' association at which members of the
10795 board of administration are to be elected, the meeting may be
10796 adjourned and reconvened within 90 days for the sole purpose of
10797 electing members of the board of administration, and the quorum
10798 for such adjourned meeting shall be 15 percent of the voting
10799 interests. This provision shall apply notwithstanding any
10800 provision of chapter 718 ~~or chapter 719~~ to the contrary.

10801 (8) Notwithstanding anything to the contrary in s.
10802 718.110, s. 718.113, or s. 718.114, ~~or s. 719.1055~~, the board of
10803 administration of any owners' association that operates a
10804 timeshare condominium pursuant to s. 718.111, ~~or a timeshare~~
10805 ~~cooperative pursuant to s. 719.104~~, shall have the power to make
10806 material alterations or substantial additions to the

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10807 accommodations or facilities of such timeshare condominium or
 10808 timeshare cooperative without the approval of the owners'
 10809 association. However, if the timeshare condominium or timeshare
 10810 cooperative contains any residential units that are not subject
 10811 to the timeshare plan, such action by the board of
 10812 administration must be approved by a majority of the owners of
 10813 such residential units. Unless otherwise provided in the
 10814 timeshare instrument as originally recorded, no such amendment
 10815 may change the configuration or size of any accommodation in any
 10816 material fashion, or change the proportion or percentage by
 10817 which a member of the owners' association shares the common
 10818 expenses, unless the record owners of the affected units or
 10819 timeshare interests and all record owners of liens on the
 10820 affected units or timeshare interests join in the execution of
 10821 the amendment.

10822 Section 120. Subsection (3) of section 721.14, Florida
 10823 Statutes, is amended to read:

10824 721.14 Discharge of managing entity.—

10825 (3) The managing entity of a timeshare plan subject to the
 10826 provisions of chapter 718 ~~or chapter 719~~ may be discharged
 10827 pursuant to chapter 718 ~~or chapter 719, respectively,~~ or its
 10828 successor or pursuant to this section.

10829 Section 121. Paragraph (b) of subsection (1) and
 10830 subsections (6), (9), and (11) of section 721.15, Florida
 10831 Statutes, are amended to read:

10832 721.15 Assessments for common expenses.—

10833 (1)

10834 (b) Notwithstanding any provision of chapter 718 ~~or~~

10835 ~~chapter 719~~ to the contrary, the allocation of total common

10836 expenses for a condominium or a cooperative timeshare plan may

10837 vary on any reasonable basis, including, but not limited to,

10838 timeshare unit size, timeshare unit type, timeshare unit

10839 location, specific identification, or a combination of these

10840 factors, if the percentage interest in the common elements

10841 attributable to each timeshare condominium parcel or timeshare

10842 cooperative parcel equals the share of the total common expenses

10843 allocable to that parcel. The share of a timeshare interest in

10844 the common expenses allocable to the timeshare condominium

10845 parcel or the timeshare cooperative parcel containing such

10846 interest may vary on any reasonable basis if the timeshare

10847 interest's share of its parcel's common expense allocation is

10848 equal to that timeshare interest's share of the percentage

10849 interest in common elements attributable to such parcel.

10850 (6) Notwithstanding any contrary requirements of s.

10851 718.112(2)(h) ~~718.112(2)(g) or s. 719.106(1)(g)~~, for timeshare

10852 plans subject to this chapter, assessments against purchasers

10853 need not be made more frequently than annually.

10854 (9)(a) Anything contained in chapter 718 ~~or chapter 719~~ to

10855 the contrary notwithstanding, the managing entity of a timeshare

10856 plan shall not commingle operating funds with reserve funds;

10857 however, the managing entity may maintain operating and reserve

10858 funds within a single account for a period not to exceed 30 days

10859 after the date on which the managing entity received payment of
 10860 such funds.

10861 (b) Anything contained in chapter 718 ~~or chapter 719~~ to
 10862 the contrary notwithstanding, a managing entity which serves as
 10863 managing entity of more than one timeshare plan, or of more than
 10864 one component site pursuant to part II, shall not commingle the
 10865 common expense funds of any one timeshare plan or component site
 10866 with the common expense funds of any other timeshare plan or
 10867 component site. However, the managing entity may maintain common
 10868 expense funds of multiple timeshare plans or multiple component
 10869 sites within a single account for a period not to exceed 30 days
 10870 after the date on which the managing entity received payment of
 10871 such funds.

10872 (11) Notwithstanding any provision of chapter 718 ~~or~~
 10873 ~~chapter 719~~ to the contrary, any determination by a timeshare
 10874 association of whether assessments exceed 115 percent of
 10875 assessments for the prior fiscal year shall exclude anticipated
 10876 expenses for insurance coverage required by law or by the
 10877 timeshare instrument to be maintained by the association.

10878 Section 122. Subsection (3) of section 721.16, Florida
 10879 Statutes, is amended to read:

10880 721.16 Liens for overdue assessments; liens for labor
 10881 performed on, or materials furnished to, a timeshare unit.—

10882 (3) The lien is effective from the date of recording a
 10883 claim of lien in the official records of the county or counties
 10884 in which the timeshare interest is located. The claim of lien

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10885 shall state the name of the timeshare plan and identify the
 10886 timeshare interest for which the lien is effective, state the
 10887 name of the purchaser, state the assessment amount due, and
 10888 state the due dates. Notwithstanding any provision of s.
 10889 718.116(6) ~~718.116(5) or s. 719.108(4)~~ to the contrary, the lien
 10890 is effective until satisfied or until 5 years have expired after
 10891 the date the claim of lien is recorded unless, within that time,
 10892 an action to enforce the lien is commenced pursuant to
 10893 subsection (2). A claim of lien for assessments may include only
 10894 assessments which are due when the claim is recorded. A claim of
 10895 lien shall be signed and acknowledged by an officer or agent of
 10896 the managing entity. Upon full payment, the person making the
 10897 payment is entitled to receive a satisfaction of the lien.

10898 Section 123. Subsections (1) and (4) of section 721.165,
 10899 Florida Statutes, are amended to read:

10900 721.165 Insurance.—

10901 (1) Notwithstanding any provision contained in the
 10902 timeshare instrument or in this chapter or chapter 718, ~~or~~
 10903 ~~chapter 719~~ to the contrary, the managing entity shall use due
 10904 diligence to obtain adequate casualty insurance as a common
 10905 expense of the timeshare plan to protect the timeshare property
 10906 against all reasonably foreseeable perils, in such covered
 10907 amounts and subject to such reasonable exclusions and reasonable
 10908 deductibles as are consistent with the provisions of this
 10909 section.

10910 (4) Notwithstanding any provision contained in the

10911 | timeshare instrument or in this chapter or, chapter 718, ~~or~~
 10912 | ~~chapter 719~~ to the contrary, the managing entity is authorized
 10913 | to apply any existing reserves for deferred maintenance and
 10914 | capital expenditures toward payment of insurance deductibles or
 10915 | the repair or replacement of the timeshare property after a
 10916 | casualty without regard to the purposes for which such reserves
 10917 | were originally established.

10918 | Section 124. Subsection (1) of section 721.17, Florida
 10919 | Statutes, is amended to read:

10920 | 721.17 Transfer of interest; resale transfer agreements.—

10921 | (1) Except in the case of a timeshare plan subject to the
 10922 | provisions of chapter 718 ~~or chapter 719~~, no developer, owner of
 10923 | the underlying fee, or owner of the underlying personal property
 10924 | shall sell, lease, assign, mortgage, or otherwise transfer his
 10925 | or her interest in the accommodations and facilities of the
 10926 | timeshare plan except by an instrument evidencing the transfer
 10927 | recorded in the public records of the county in which such
 10928 | accommodations and facilities are located or, with respect to
 10929 | personal property timeshare plans, in full compliance with s.
 10930 | 721.08. The instrument shall be executed by both the transferor
 10931 | and transferee and shall state:

10932 | (a) That its provisions are intended to protect the rights
 10933 | of all purchasers of the plan.

10934 | (b) That its terms may be enforced by any prior or
 10935 | subsequent timeshare purchaser so long as that purchaser is not
 10936 | in default of his or her obligations.

10937 (c) That so long as a purchaser remains in good standing
 10938 with respect to her or his obligations under the timeshare
 10939 instrument, including making all payments to the managing entity
 10940 required by the timeshare instrument with respect to the annual
 10941 common expenses of the timeshare plan, the transferee shall
 10942 honor all rights of such purchaser relating to the subject
 10943 accommodation or facility as reflected in the timeshare
 10944 instrument.

10945 (d) That the transferee will fully honor all rights of
 10946 timeshare purchasers to cancel their contracts and receive
 10947 appropriate refunds.

10948 (e) That the obligations of the transferee under such
 10949 instrument will continue to exist despite any cancellation or
 10950 rejection of the contracts between the developer and purchaser
 10951 arising out of bankruptcy proceedings.

10952 Section 125. Subsection (3) of section 721.20, Florida
 10953 Statutes, is amended to read:

10954 721.20 Licensing requirements; suspension or revocation of
 10955 license; exceptions to applicability; collection of advance fees
 10956 for listings unlawful.-

10957 (3) A solicitor who has violated the provisions of chapter
 10958 468, chapter 718, ~~chapter 719~~, this chapter, or the rules of the
 10959 division governing timesharing shall be subject to the
 10960 provisions of s. 721.26. Any developer or other person who
 10961 supervises, directs, or engages the services of a solicitor
 10962 shall be liable for any violation of the provisions of chapter

10963 468, chapter 718, ~~chapter 719~~, this chapter, or the rules of the
 10964 division governing timesharing committed by such solicitor.

10965 Section 126. Paragraph (a) of subsection (1) and
 10966 subsection (2) of section 721.24, Florida Statutes, are amended
 10967 to read:

10968 721.24 Firesafety.—

10969 (1) Any:

10970 (a) Facility or accommodation of a timeshare plan, as
 10971 defined in this chapter or, chapter 718, ~~or chapter 719~~, which
 10972 is of three stories or more and for which the construction
 10973 contract has been let after September 30, 1983, with interior
 10974 corridors which do not have direct access from the timeshare
 10975 unit to exterior means of egress, or

10976
 10977 shall be equipped with an automatic sprinkler system installed
 10978 in compliance with the provisions prescribed in the National
 10979 Fire Protection Association publication NFPA No. 13 (1985),
 10980 "Standards for the Installation of Sprinkler Systems." The
 10981 sprinkler installation may be omitted in closets which are not
 10982 over 24 square feet in area and in bathrooms which are not over
 10983 55 square feet in area, which closets and bathrooms are located
 10984 in timeshare units. Each timeshare unit shall be equipped with
 10985 an approved listed single-station smoke detector meeting the
 10986 minimum requirements of NFPA-74 (1984), "Standards for the
 10987 Installation, Maintenance and Use of Household Fire Warning
 10988 Equipment," powered from the building electrical service,

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10989 notwithstanding the number of stories in the structure, if the
 10990 contract for construction is let after September 30, 1983.
 10991 Single-station smoke detection is not required when a timeshare
 10992 unit's smoke detectors are connected to a central alarm system
 10993 which also alarms locally.

10994 (2) Any timeshare unit of a timeshare plan, as defined in
 10995 this chapter or, chapter 718, ~~or chapter 719~~ which is of three
 10996 stories or more and for which the construction contract was let
 10997 before October 1, 1983, shall be equipped with:

- 10998 (a) A system which complies with subsection (1); or
- 10999 (b) An approved sprinkler system for all interior
 11000 corridors, public areas, storage rooms, closets, kitchen areas,
 11001 and laundry rooms, less individual timeshare units, if the
 11002 following conditions are met:

11003 1. There is a minimum 1-hour separation between each
 11004 timeshare unit and between each timeshare unit and a corridor.

11005 2. The building is constructed of noncombustible
 11006 materials.

11007 3. The egress conditions meet the requirements of s. 5-3
 11008 of the Life Safety Code, NFPA 101 (1985).

11009 4. The building has a complete automatic fire detection
 11010 system which meets the requirements of NFPA-72A (1987) and NFPA-
 11011 72E (1984), including smoke detectors in each timeshare unit
 11012 individually annunciating to a panel at a supervised location.

11013 Section 127. Section 721.26, Florida Statutes, is amended
 11014 to read:

11015 721.26 Regulation by division.—The division has the power
 11016 to enforce and ensure compliance with this chapter, except for
 11017 parts III and IV, using the powers provided in this chapter, as
 11018 well as the powers prescribed in chapter ~~chapters~~ 718 and ~~719~~.
 11019 In performing its duties, the division shall have the following
 11020 powers and duties:

11021 (1) To aid in the enforcement of this chapter, or any
 11022 division rule adopted or order issued pursuant to this chapter,
 11023 the division may make necessary public or private investigations
 11024 within or outside this state to determine whether any person has
 11025 violated or is about to violate this chapter, or any division
 11026 rule adopted or order issued pursuant to this chapter.

11027 (2) The division may require or permit any person to file
 11028 a written statement under oath or otherwise, as the division
 11029 determines, as to the facts and circumstances concerning a
 11030 matter under investigation.

11031 (3) For the purpose of any investigation under this
 11032 chapter, the director of the division or any officer or employee
 11033 designated by the director may administer oaths or affirmations,
 11034 subpoena witnesses and compel their attendance, take evidence,
 11035 and require the production of any matter which is relevant to
 11036 the investigation, including the identity, existence,
 11037 description, nature, custody, condition, and location of any
 11038 books, documents, or other tangible things and the identity and
 11039 location of persons having knowledge of relevant facts or any
 11040 other matter reasonably calculated to lead to the discovery of

11041 material evidence. Failure to obey a subpoena or to answer
11042 questions propounded by the investigating officer and upon
11043 reasonable notice to all persons affected thereby shall be a
11044 violation of this chapter. In addition to the other enforcement
11045 powers authorized in this subsection, the division may apply to
11046 the circuit court for an order compelling compliance.

11047 (4) The division may prepare and disseminate a prospectus
11048 and other information to assist prospective purchasers, sellers,
11049 and managing entities of timeshare plans in assessing the
11050 rights, privileges, and duties pertaining thereto.

11051 (5) Notwithstanding any remedies available to purchasers,
11052 if the division has reasonable cause to believe that a violation
11053 of this chapter, or of any division rule adopted or order issued
11054 pursuant to this chapter, has occurred, the division may
11055 institute enforcement proceedings in its own name against any
11056 regulated party, as such term is defined in this subsection:

11057 (a)1. "Regulated party," for purposes of this section,
11058 means any developer, exchange company, seller, managing entity,
11059 owners' association, owners' association director, owners'
11060 association officer, manager, management firm, escrow agent,
11061 trustee, any respective assignees or agents, or any other person
11062 having duties or obligations pursuant to this chapter.

11063 2. Any person who materially participates in any offer or
11064 disposition of any interest in, or the management or operation
11065 of, a timeshare plan in violation of this chapter or relevant
11066 rules involving fraud, deception, false pretenses,

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11067 misrepresentation, or false advertising or the disbursement,
11068 concealment, or diversion of any funds or assets, which conduct
11069 adversely affects the interests of a purchaser, and which person
11070 directly or indirectly controls a regulated party or is a
11071 general partner, officer, director, agent, or employee of such
11072 regulated party, shall be jointly and severally liable under
11073 this subsection with such regulated party, unless such person
11074 did not know, and in the exercise of reasonable care could not
11075 have known, of the existence of the facts giving rise to the
11076 violation of this chapter. A right of contribution shall exist
11077 among jointly and severally liable persons pursuant to this
11078 paragraph.

11079 (b) The division may permit any person whose conduct or
11080 actions may be under investigation to waive formal proceedings
11081 and enter into a consent proceeding whereby an order, rule, or
11082 letter of censure or warning, whether formal or informal, may be
11083 entered against that person.

11084 (c) The division may issue an order requiring a regulated
11085 party to cease and desist from an unlawful practice under this
11086 chapter and take such affirmative action as in the judgment of
11087 the division will carry out the purposes of this chapter.

11088 (d)1. The division may bring an action in circuit court
11089 for declaratory or injunctive relief or for other appropriate
11090 relief, including restitution.

11091 2. The division shall have broad authority and discretion
11092 to petition the circuit court to appoint a receiver with respect

11093 to any managing entity which fails to perform its duties and
11094 obligations under this chapter with respect to the operation of
11095 a timeshare plan. The circumstances giving rise to an
11096 appropriate petition for receivership under this subparagraph
11097 include, but are not limited to:

11098 a. Damage to or destruction of any of the accommodations
11099 or facilities of a timeshare plan, where the managing entity has
11100 failed to repair or reconstruct same.

11101 b. A breach of fiduciary duty by the managing entity,
11102 including, but not limited to, undisclosed self-dealing or
11103 failure to timely assess, collect, or disburse the common
11104 expenses of the timeshare plan.

11105 c. Failure of the managing entity to operate the timeshare
11106 plan in accordance with the timeshare instrument and this
11107 chapter.

11108
11109 If, under the circumstances, it appears that the events giving
11110 rise to the petition for receivership cannot be reasonably and
11111 timely corrected in a cost-effective manner consistent with the
11112 timeshare instrument, the receiver may petition the circuit
11113 court to implement such amendments or revisions to the timeshare
11114 instrument as may be necessary to enable the managing entity to
11115 resume effective operation of the timeshare plan, or to enter an
11116 order terminating the timeshare plan, or to enter such further
11117 orders regarding the disposition of the timeshare property as
11118 the court deems appropriate, including the disposition and sale

11119 of the timeshare property held by the owners' association or the
 11120 purchasers. In the event of a receiver's sale, all rights,
 11121 title, and interest held by the owners' association or any
 11122 purchaser shall be extinguished and title shall vest in the
 11123 buyer. This provision applies to timeshare estates, personal
 11124 property timeshare interests, and timeshare licenses. All
 11125 reasonable costs and fees of the receiver relating to the
 11126 receivership shall become common expenses of the timeshare plan
 11127 upon order of the court.

11128 3. The division may revoke its approval of any filing for
 11129 any timeshare plan for which a petition for receivership has
 11130 been filed pursuant to this paragraph.

11131 (e)1. The division may impose a penalty against any
 11132 regulated party for a violation of this chapter or any rule
 11133 adopted thereunder. A penalty may be imposed on the basis of
 11134 each day of continuing violation, but in no event may the
 11135 penalty for any offense exceed \$10,000. All accounts collected
 11136 shall be deposited with the Chief Financial Officer to the
 11137 credit of the Division of Common Interest Communities ~~Florida~~
 11138 ~~Condominiums, Timeshares, and Mobile Homes~~ Trust Fund.

11139 2.a. If a regulated party fails to pay a penalty, the
 11140 division shall thereupon issue an order directing that such
 11141 regulated party cease and desist from further operation until
 11142 such time as the penalty is paid; or the division may pursue
 11143 enforcement of the penalty in a court of competent jurisdiction.

11144 b. If an owners' association or managing entity fails to

11145 pay a civil penalty, the division may pursue enforcement in a
 11146 court of competent jurisdiction.

11147 (f) In order to permit the regulated party an opportunity
 11148 to appeal such decision administratively or to seek relief in a
 11149 court of competent jurisdiction, the order imposing the penalty
 11150 or the cease and desist order shall not become effective until
 11151 20 days after the date of such order.

11152 (g) Any action commenced by the division shall be brought
 11153 in the county in which the division has its executive offices or
 11154 in the county where the violation occurred.

11155 (h) Notice to any regulated party shall be complete when
 11156 delivered by United States mail, return receipt requested, to
 11157 the party's address currently on file with the division or to
 11158 such other address at which the division is able to locate the
 11159 party. Every regulated party has an affirmative duty to notify
 11160 the division of any change of address at least 5 business days
 11161 prior to such change.

11162 (6) The division has authority to adopt rules pursuant to
 11163 ss. 120.536(1) and 120.54 to implement and enforce the
 11164 provisions of this chapter.

11165 (7) (a) The use of any unfair or deceptive act or practice
 11166 by any person in connection with the sales or other operations
 11167 of an exchange program or timeshare plan is a violation of this
 11168 chapter.

11169 (b) Any violation of the Florida Deceptive and Unfair
 11170 Trade Practices Act, ss. 501.201 et seq., relating to the

11171 creation, promotion, sale, operation, or management of any
 11172 timeshare plan shall also be a violation of this chapter.

11173 (c) The division may institute proceedings against any
 11174 such person and take any appropriate action authorized in this
 11175 section in connection therewith, notwithstanding any remedies
 11176 available to purchasers.

11177 (8) The failure of any person to comply with any order of
 11178 the division is a violation of this chapter.

11179 Section 128. Section 721.28, Florida Statutes, is amended
 11180 to read:

11181 721.28 Division of Common Interest Communities ~~Florida~~
 11182 ~~Condominiums, Timeshares, and Mobile Homes~~ Trust Fund.—All funds
 11183 collected by the division and any amounts paid as fees or
 11184 penalties under this chapter shall be deposited in the State
 11185 Treasury to the credit of the Division of Common Interest
 11186 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes~~
 11187 Trust Fund created by s. 718.509.

11188 Section 129. Paragraph (c) of subsection (1) of section
 11189 721.301, Florida Statutes, is amended to read:

11190 721.301 Florida Timesharing, Vacation Club, and
 11191 Hospitality Program.—

11192 (1)

11193 (c) The director may designate funds from the Division of
 11194 Common Interest Communities ~~Florida Condominiums, Timeshares,~~
 11195 ~~and Mobile Homes~~ Trust Fund, not to exceed \$50,000 annually, to
 11196 support the projects and proposals undertaken pursuant to

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11197 paragraph (b). All state trust funds to be expended pursuant to
 11198 this section must be matched equally with private moneys and
 11199 shall comprise no more than half of the total moneys expended
 11200 annually.

11201 Section 130. Paragraph (a) of subsection (2) of section
 11202 721.82, Florida Statutes, is amended to read:

11203 721.82 Definitions.—As used in this part, the term:

11204 (2) "Assessment lien" means:

11205 (a) A lien for delinquent assessments as provided in ss.
 11206 718.116, ~~719.108~~, and 721.16; or

11207 Section 131. Paragraph (b) of subsection (2) of section
 11208 721.855, Florida Statutes, is amended to read:

11209 721.855 Procedure for the trustee foreclosure of
 11210 assessment liens.—The provisions of this section establish a
 11211 trustee foreclosure procedure for assessment liens.

11212 (2) INITIATING THE USE OF A TRUSTEE FORECLOSURE
 11213 PROCEDURE.—

11214 (b) Before initiating the trustee foreclosure procedure
 11215 against any timeshare interest, a claim of lien against the
 11216 timeshare interest shall be recorded under s. 721.16 or, if
 11217 applicable, s. 718.116 ~~or s. 719.108~~, and the notice of the
 11218 intent to file a lien shall be given under s. 718.121 for common
 11219 interest communities ~~timeshare condominiums~~ and ~~s. 719.108~~ ~~for~~
 11220 ~~timeshare cooperatives~~.

11221 Section 132. Subsection (1) of section 721.86, Florida
 11222 Statutes, is amended to read:

11223 721.86 Miscellaneous provisions.—

11224 (1) In the event of a conflict between the provisions of
 11225 this part and the other provisions of this chapter, chapter 702,
 11226 or other applicable law, the provisions of this part shall
 11227 prevail. The procedures in this part must be given effect in the
 11228 context of any foreclosure proceedings against timeshare
 11229 interests governed by this chapter, chapter 702, or chapter 718,
 11230 ~~or chapter 719.~~

11231 Section 133. Subsection (1) of section 723.003, Florida
 11232 Statutes, is amended to read:

11233 723.003 Definitions.—As used in this chapter, the term:

11234 (2) "Division" means the Division of Common Interest
 11235 Communities ~~Florida Condominiums, Timeshares, and Mobile Homes~~
 11236 of the Department of Business and Professional Regulation.

11237 Section 134. Paragraph (e) of subsection (5) of section
 11238 723.006, Florida Statutes, is amended to read:

11239 723.006 Powers and duties of division.—In performing its
 11240 duties, the division has the following powers and duties:

11241 (5) Notwithstanding any remedies available to mobile home
 11242 owners, mobile home park owners, and homeowners' associations,
 11243 if the division has reasonable cause to believe that a violation
 11244 of any provision of this chapter or related rule has occurred,
 11245 the division may institute enforcement proceedings in its own
 11246 name against a developer, mobile home park owner, or homeowners'
 11247 association, or its assignee or agent, as follows:

11248 (e)1. The division may impose a civil penalty against a

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11249 mobile home park owner or homeowners' association, or its
 11250 assignee or agent, for any violation of this chapter, a properly
 11251 adopted park rule or regulation, or a rule adopted pursuant
 11252 hereto. A penalty may be imposed on the basis of each separate
 11253 violation and, if the violation is a continuing one, for each
 11254 day of continuing violation, but in no event may the penalty for
 11255 each separate violation or for each day of continuing violation
 11256 exceed \$5,000. All amounts collected shall be deposited with the
 11257 Chief Financial Officer to the credit of the Division of Common
 11258 Interest Communities ~~Florida Condominiums, Timeshares, and~~
 11259 ~~Mobile Homes~~ Trust Fund.

11260 2. If a violator fails to pay the civil penalty, the
 11261 division shall thereupon issue an order directing that such
 11262 violator cease and desist from further violation until such time
 11263 as the civil penalty is paid or may pursue enforcement of the
 11264 penalty in a court of competent jurisdiction. If a homeowners'
 11265 association fails to pay the civil penalty, the division shall
 11266 thereupon pursue enforcement in a court of competent
 11267 jurisdiction, and the order imposing the civil penalty or the
 11268 cease and desist order shall not become effective until 20 days
 11269 after the date of such order. Any action commenced by the
 11270 division shall be brought in the county in which the division
 11271 has its executive offices or in which the violation occurred.

11272 Section 135. Section 723.009, Florida Statutes, is amended
 11273 to read:

11274 723.009 Division of Common Interest Communities ~~Florida~~

11275 ~~Condominiums, Timeshares, and Mobile Homes~~ Trust Fund.—All
 11276 proceeds from the fees, penalties, and fines imposed pursuant to
 11277 this chapter shall be deposited into the Division of Common
 11278 Interest Communities ~~Florida Condominiums, Timeshares, and~~
 11279 ~~Mobile Homes~~ Trust Fund created by s. 718.509. Moneys in this
 11280 fund, as appropriated by the Legislature pursuant to chapter
 11281 216, may be used to defray the expenses incurred by the division
 11282 in administering the provisions of this chapter.

11283 Section 136. Paragraph (c) of subsection (2) of section
 11284 723.0611, Florida Statutes, is amended to read:

11285 723.0611 Florida Mobile Home Relocation Corporation.—

11286 (2)

11287 (c) The corporation shall, for purposes of s. 768.28, be
 11288 considered an agency of the state. Agents or employees of the
 11289 corporation, members of the board of directors of the
 11290 corporation, or representatives of the Division of Common
 11291 Interest Communities ~~Florida Condominiums, Timeshares, and~~
 11292 ~~Mobile Homes~~ shall be considered officers, employees, or agents
 11293 of the state, and actions against them and the corporation shall
 11294 be governed by s. 768.28.

11295 Section 137. Subsections (1) and (2) of section 723.073,
 11296 Florida Statutes, are amended to read:

11297 723.073 Conveyance by the association.—

11298 (1) In the event that an association acquires a mobile
 11299 home park and intends to reconvey a portion or portions of the
 11300 property acquired to members of the association, the association

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11301 shall record copies of its articles and bylaws and any
 11302 additional covenants, restrictions, or declarations of servitude
 11303 affecting the property with the clerk of the circuit court prior
 11304 to the conveyance of any portion of the property to an
 11305 individual member of the association. To create a mobile home
 11306 cooperative after acquisition of the property, the association
 11307 shall record the cooperative documents, as required by chapter
 11308 718 ~~719~~, in the county where the property is located. The
 11309 effective date of the cooperative shall be the date of the
 11310 recording.

11311 (2) An association that acquires a mobile home park
 11312 pursuant to s. 723.071 is exempt from ~~s. 719.1035~~ and the
 11313 requirements of part VI of chapter 718 ~~and part VI of chapter~~
 11314 ~~719~~.

11315 Section 138. Subsection (1) of section 723.0751, Florida
 11316 Statutes, is amended to read:

11317 723.0751 Mobile home subdivision homeowners' association.—

11318 (1) In the event that no homeowners' association has been
 11319 created pursuant to chapter 718 ~~ss. 720.301-720.312~~ to operate a
 11320 mobile home subdivision, the owners of lots in such mobile home
 11321 subdivision shall be authorized to create a mobile home
 11322 subdivision homeowners' association in the manner prescribed in
 11323 ss. 723.075, 723.076, and 723.078 which shall have the powers
 11324 and duties, to the extent applicable, set forth in ss.
 11325 723.002 (2) and 723.074.

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11327 Section 139. Subsection (5) of section 723.078, Florida
 11328 Statutes, is amended to read:

11329 723.078 Bylaws of homeowners' associations.—

11330 (5) Upon purchase of the mobile home park, the association
 11331 organized under this chapter may convert to a condominium,
 11332 cooperative, or subdivision. The directors shall have the
 11333 authority to amend and restate the articles of incorporation and
 11334 bylaws in order to comply with the requirements of chapter 718,
 11335 ~~chapter 719,~~ or other applicable sections of the Florida
 11336 Statutes.

11337 Section 140. Subsection (12) of section 723.079, Florida
 11338 Statutes, is amended to read:

11339 723.079 Powers and duties of homeowners' association.—

11340 (12) For a period of 180 days after the date of a purchase
 11341 of a mobile home park by the association, the association shall
 11342 not be required to comply with the provisions of part V of
 11343 chapter 718, ~~part V of chapter 719, or part II of chapter 720,~~
 11344 as to mobile home owners or persons who have executed contracts
 11345 to purchase mobile homes in the park.

11346 Section 141. Section 723.0791, Florida Statutes, is
 11347 amended to read:

11348 723.0791 Mobile home cooperative homeowners' associations;
 11349 elections.—The provisions of s. 718.112 ~~719.106(1)(b)~~
 11350 notwithstanding, the election of board members in a mobile home
 11351 cooperative homeowners' association may be carried out in the
 11352 manner provided for in the bylaws of the association. A mobile

11353 home cooperative is a residential cooperative consisting of real
 11354 property to which 10 or more mobile homes are located or are
 11355 affixed.

11356 Section 142. Subsections (3) and (6) of section 768.1325,
 11357 Florida Statutes, are amended to read:

11358 768.1325 Cardiac Arrest Survival Act; immunity from civil
 11359 liability.—

11360 (3) Notwithstanding any other provision of law to the
 11361 contrary, and except as provided in subsection (4), any person
 11362 who uses or attempts to use an automated external defibrillator
 11363 device on a victim of a perceived medical emergency, without
 11364 objection of the victim of the perceived medical emergency, is
 11365 immune from civil liability for any harm resulting from the use
 11366 or attempted use of such device. In addition, notwithstanding
 11367 any other provision of law to the contrary, and except as
 11368 provided in subsection (4), any person who acquired the device
 11369 and makes it available for use, including, but not limited to, a
 11370 community association organized under chapter 617, chapter 718,
 11371 ~~chapter 719, chapter 720,~~ chapter 721, or chapter 723, is immune
 11372 from such liability, if the harm was not due to the failure of
 11373 such person to:

11374 (a) Properly maintain and test the device; or

11375 (b) Provide appropriate training in the use of the device
 11376 to an employee or agent of the acquirer when the employee or
 11377 agent was the person who used the device on the victim, except
 11378 that such requirement of training does not apply if:

11379 1. The device is equipped with audible, visual, or written
 11380 instructions on its use, including any such visual or written
 11381 instructions posted on or adjacent to the device;

11382 2. The employee or agent was not an employee or agent who
 11383 would have been reasonably expected to use the device; or

11384 3. The period of time elapsing between the engagement of
 11385 the person as an employee or agent and the occurrence of the
 11386 harm, or between the acquisition of the device and the
 11387 occurrence of the harm in any case in which the device was
 11388 acquired after engagement of the employee or agent, was not a
 11389 reasonably sufficient period in which to provide the training.

11390 (6) An insurer may not require an acquirer of an automated
 11391 external defibrillator device which is a community association
 11392 organized under chapter 617, chapter 718, ~~chapter 719, chapter~~
 11393 ~~720~~, chapter 721, or chapter 723 to purchase medical malpractice
 11394 liability coverage as a condition of issuing any other coverage
 11395 carried by the association, and an insurer may not exclude
 11396 damages resulting from the use of an automated external
 11397 defibrillator device from coverage under a general liability
 11398 policy issued to an association.

11399 Section 143. Subsection (4) and paragraph (e) of
 11400 subsection (11) of section 849.0931, Florida Statutes, are
 11401 amended to read:

11402 849.0931 Bingo authorized; conditions for conduct;
 11403 permitted uses of proceeds; limitations.—

11404 (4) The right of a condominium association, a cooperative

11405 association, ~~a~~ homeowners' association ~~as defined in s. 720.301,~~
 11406 ~~a~~ mobile home owners' association, ~~a~~ group of residents of a
 11407 mobile home park as defined in chapter 723, or ~~a~~ group of
 11408 residents of a mobile home park or recreational vehicle park as
 11409 defined in chapter 513 to conduct bingo is conditioned upon the
 11410 return of the net proceeds from such games to players in the
 11411 form of prizes after having deducted the actual business
 11412 expenses for such games for articles designed for and essential
 11413 to the operation, conduct, and playing of bingo. Any net
 11414 proceeds remaining after paying prizes may be donated by the
 11415 association to a charitable, nonprofit, or veterans'
 11416 organization which is exempt from federal income tax under the
 11417 provisions of s. 501(c) of the Internal Revenue Code to be used
 11418 in such recipient organization's charitable, civic, community,
 11419 benevolent, religious, or scholastic works or similar activities
 11420 or, in the alternative, such remaining proceeds shall be used as
 11421 specified in subsection (3).

11422 (11) Bingo games or instant bingo may be held only on the
 11423 following premises:

11424 (e) With respect to bingo games conducted by a common
 11425 interest community condominium association, ~~a~~ cooperative
 11426 association, ~~a~~ homeowners' association ~~as defined in s. 720.301,~~
 11427 ~~a~~ mobile home owners' association, ~~a~~ group of residents of a
 11428 mobile home park as defined in chapter 723, or ~~a~~ group of
 11429 residents of a mobile home park or recreational vehicle park as
 11430 defined in chapter 513, property owned by the association,

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11431 | property owned by the residents of the mobile home park or
11432 | recreational vehicle park, or property which is a common area
11433 | located within the condominium, mobile home park, or
11434 | recreational vehicle park.

11435 | Section 144. This act shall take effect July 1, 2016.