



1                                   A bill to be entitled  
2           An act relating to community associations; creating s.  
3           633.2225, F.S.; requiring certain condominium or  
4           cooperative associations to post certain signs or  
5           symbols on buildings; requiring the State Fire Marshal  
6           to adopt rules governing such signs or symbols;  
7           providing for enforcement; providing penalties;  
8           amending s. 718.111, F.S.; prohibiting an officer,  
9           director, or manager from soliciting, offering to  
10          accept, or accepting a kickback for which  
11          consideration has not been provided; providing  
12          criminal penalties; requiring that an officer or  
13          director charged with certain crimes be removed from  
14          office; providing requirements for filling the vacancy  
15          left by such removal; prohibiting such officer or  
16          director from being appointed or elected or having  
17          access to official condominium association records for  
18          a specified time; providing an exception; requiring an  
19          officer or director to be reinstated if the charges  
20          are resolved without a finding of guilt; prohibiting  
21          an association from hiring an attorney who represents  
22          the management company of the association; prohibiting  
23          a board member, manager, or management company from  
24          purchasing a unit at a foreclosure sale under certain  
25          circumstances; revising recordkeeping requirements;



26 providing that the official records of an association  
27 are open to inspection by an association member's  
28 authorized representative; providing that a renter of  
29 a unit has a right to inspect and copy the  
30 association's bylaws and rules; providing requirements  
31 relating to the posting of specified documents on an  
32 association's website; providing a remedy for an  
33 association's failure to provide a unit owner with a  
34 copy of the most recent financial report; revising  
35 reporting requirements; requiring the Division of  
36 Florida Condominiums, Timeshares, and Mobile Homes to  
37 maintain and provide copies of financial reports;  
38 prohibiting a condominium association and its  
39 officers, directors, employees, and agents from using  
40 a debit card issued in the name of the association, or  
41 billed directly to the association, for the payment of  
42 any association expense; providing that the use of  
43 such debit card for any expense that is not a lawful  
44 obligation of the association may be prosecuted as  
45 credit card fraud; providing a directive to the  
46 Department of Business and Professional Regulation;  
47 revising reporting requirements; amending s. 718.112,  
48 F.S.; authorizing an association to adopt rules for  
49 posting certain notices on a website; revising  
50 provisions relating to required condominium and



51 cooperative association bylaws; revising provisions  
52 relating to evidence of condominium and cooperative  
53 association compliance with the fire and life safety  
54 code; revising unit and common elements required to be  
55 retrofitted; revising provisions relating to an  
56 association vote to forego retrofitting; providing  
57 applicability; amending s. 718.113, F.S.; revising  
58 voting requirements relating to alterations and  
59 additions to certain common elements or association  
60 property; amending s. 718.117, F.S.; revising  
61 legislative findings; revising voting requirements for  
62 the rejection of a plan of termination; increasing the  
63 amount of time to consider a plan of termination under  
64 certain conditions; revising the requirements to  
65 qualify for payment as a homestead owner if the owner  
66 has rejected a plan of termination; revising and  
67 providing notice requirements; providing  
68 applicability; amending s. 718.707, F.S.; revising the  
69 time period for classification as bulk assignee or  
70 bulk buyer; amending s. 719.104, F.S.; revising  
71 recordkeeping and reporting requirements; amending s.  
72 719.1055, F.S.; revising provisions relating to  
73 required condominium and cooperative association  
74 bylaws; revising provisions relating to evidence of  
75 condominium and cooperative association compliance



76 | with the fire and life safety code; revising unit and  
77 | common elements required to be retrofitted; revising  
78 | provisions relating to an association vote to forego  
79 | retrofitting; providing applicability; amending s.  
80 | 719.106, F.S.; revising requirements to serve as a  
81 | board member; prohibiting a board member from voting  
82 | via e-mail; requiring that directors who are  
83 | delinquent in certain payments owed in excess of  
84 | certain periods of time be deemed to have abandoned  
85 | their offices; authorizing an association to adopt  
86 | rules for posting certain notices on a website;  
87 | amending s. 719.107, F.S.; specifying certain services  
88 | which are obtained pursuant to a bulk contract to be  
89 | deemed a common expense; amending s. 720.303, F.S.;  
90 | prohibiting a board member from voting via e-mail;  
91 | revising certain notice requirements relating to board  
92 | meetings; revising financial reporting requirements;  
93 | authorizing an association to adopt rules for posting  
94 | certain notices on a website; amending s. 720.306,  
95 | F.S.; revising elections requirements; amending s.  
96 | 720.3085, F.S.; providing applicability; providing an  
97 | effective date; providing an effective date.

98 |  
99 | Be It Enacted by the Legislature of the State of Florida:  
100 |



101 Section 1. Section 633.2225, Florida Statutes, is created  
102 to read:

103 633.2225 Condominium and cooperative buildings without  
104 sprinkler systems; notice requirements; enforcement.-

105 (1) The board of a condominium or cooperative association  
106 that operates a building of three stories or more that has not  
107 installed a sprinkler system in the common areas of the building  
108 shall mark the building with a sign or symbol approved by the  
109 State Fire Marshal in a manner sufficient to warn persons  
110 conducting fire control and other emergency operations of the  
111 lack of a sprinkler system in the common areas.

112 (2) The State Fire Marshal shall:

113 (a) Ensure that the dimensions and placement of the sign  
114 or symbol do not diminish the aesthetic value of the building;  
115 and

116 (b) Adopt rules necessary to implement the provisions of  
117 this section, including, but not limited to:

118 1. The dimensions and color of such sign or symbol.

119 2. The time within which the condominium or cooperative  
120 buildings without sprinkler systems shall be marked as required  
121 by this section.

122 3. The location on each condominium or cooperative  
123 building without a sprinkler system where such sign or symbol  
124 must be posted.

125 (3) The State Fire Marshal, and local fire officials in



126 | accordance with s. 633.118, shall enforce this section. An  
127 | association that fails to comply with the requirements of this  
128 | section is subject to penalties as provided in s. 633.228.

129 |       Section 2. Paragraphs (a) and (d) of subsection (1),  
130 | subsections (3), (9), (12), and (13) of section 718.111, Florida  
131 | Statutes, are amended, and subsection (15) is added to that  
132 | section, to read:

133 |           718.111 The association.—

134 |           (1) CORPORATE ENTITY.—

135 |           (a) The operation of the condominium shall be by the  
136 | association, which must be a Florida corporation for profit or a  
137 | Florida corporation not for profit. However, any association  
138 | which was in existence on January 1, 1977, need not be  
139 | incorporated. The owners of units shall be shareholders or  
140 | members of the association. The officers and directors of the  
141 | association have a fiduciary relationship to the unit owners. It  
142 | is the intent of the Legislature that nothing in this paragraph  
143 | shall be construed as providing for or removing a requirement of  
144 | a fiduciary relationship between any manager employed by the  
145 | association and the unit owners. An officer, director, or  
146 | manager may not solicit, offer to accept, or accept any thing or  
147 | service of value or kickback for which consideration has not  
148 | been provided for his or her own benefit or that of his or her  
149 | immediate family, from any person providing or proposing to  
150 | provide goods or services to the association. Any such officer,



151 director, or manager who knowingly so solicits, offers to  
152 accept, or accepts any thing or service of value or kickback is  
153 subject to a civil penalty pursuant to s. 718.501(1)(d) and, if  
154 applicable, a criminal penalty as provided in paragraph (d).

155 However, this paragraph does not prohibit an officer, director,  
156 or manager from accepting services or items received in  
157 connection with trade fairs or education programs. An  
158 association may operate more than one condominium.

159 (d) As required by s. 617.0830, an officer, director, or  
160 agent shall discharge his or her duties in good faith, with the  
161 care an ordinarily prudent person in a like position would  
162 exercise under similar circumstances, and in a manner he or she  
163 reasonably believes to be in the interests of the association.  
164 An officer, director, or agent shall be liable for monetary  
165 damages as provided in s. 617.0834 if such officer, director, or  
166 agent breached or failed to perform his or her duties and the  
167 breach of, or failure to perform, his or her duties constitutes  
168 a violation of criminal law as provided in s. 617.0834;  
169 constitutes a transaction from which the officer or director  
170 derived an improper personal benefit, either directly or  
171 indirectly; or constitutes recklessness or an act or omission  
172 that was in bad faith, with malicious purpose, or in a manner  
173 exhibiting wanton and willful disregard of human rights, safety,  
174 or property. Forgery of a ballot envelope or voting certificate  
175 used in a condominium association election is punishable as



176 | provided in s. 831.01, the theft or embezzlement of funds of a  
177 | condominium association is punishable as provided in s. 812.014,  
178 | and the destruction of or the refusal to allow inspection or  
179 | copying of an official record of a condominium association that  
180 | is accessible to unit owners within the time periods required by  
181 | general law in furtherance of any crime is punishable as  
182 | tampering with physical evidence as provided in s. 918.13 or as  
183 | obstruction of justice as provided in chapter 843. An officer or  
184 | director charged by information or indictment with a crime  
185 | referenced in this paragraph must be removed from office, and  
186 | the vacancy shall be filled as provided in s. 718.112(2)(d)2.  
187 | until the end of the officer's or director's period of  
188 | suspension or the end of his or her term of office, whichever  
189 | occurs first. If a criminal charge is pending against the  
190 | officer or director, he or she may not be appointed or elected  
191 | to a position as an officer or a director of any association and  
192 | may not have access to the official records of any association,  
193 | except pursuant to a court order. However, if the charges are  
194 | resolved without a finding of guilt, the officer or director  
195 | must be reinstated for the remainder of his or her term of  
196 | office, if any.

197 | (3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT,  
198 | SUE, AND BE SUED; CONFLICT OF INTEREST.—

199 | (a) The association may contract, sue, or be sued with  
200 | respect to the exercise or nonexercise of its powers. For these





201 purposes, the powers of the association include, but are not  
202 limited to, the maintenance, management, and operation of the  
203 condominium property. After control of the association is  
204 obtained by unit owners other than the developer, the  
205 association may institute, maintain, settle, or appeal actions  
206 or hearings in its name on behalf of all unit owners concerning  
207 matters of common interest to most or all unit owners,  
208 including, but not limited to, the common elements; the roof and  
209 structural components of a building or other improvements;  
210 mechanical, electrical, and plumbing elements serving an  
211 improvement or a building; representations of the developer  
212 pertaining to any existing or proposed commonly used facilities;  
213 and protesting ad valorem taxes on commonly used facilities and  
214 on units; and may defend actions in eminent domain or bring  
215 inverse condemnation actions. If the association has the  
216 authority to maintain a class action, the association may be  
217 joined in an action as representative of that class with  
218 reference to litigation and disputes involving the matters for  
219 which the association could bring a class action. Nothing herein  
220 limits any statutory or common-law right of any individual unit  
221 owner or class of unit owners to bring any action without  
222 participation by the association which may otherwise be  
223 available.

224 (b) An association may not hire an attorney who represents  
225 the management company of the association.



226 (9) PURCHASE OF UNITS.—The association has the power,  
227 unless prohibited by the declaration, articles of incorporation,  
228 or bylaws of the association, to purchase units in the  
229 condominium and to acquire and hold, lease, mortgage, and convey  
230 them. There shall be no limitation on the association's right to  
231 purchase a unit at a foreclosure sale resulting from the  
232 association's foreclosure of its lien for unpaid assessments, or  
233 to take title by deed in lieu of foreclosure. However, except  
234 for a timeshare condominium, a board member, manager, or  
235 management company may not purchase a unit at a foreclosure sale  
236 resulting from the association's foreclosure of its lien for  
237 unpaid assessments or take title by deed in lieu of foreclosure.

238 (12) OFFICIAL RECORDS.—

239 (a) From the inception of the association, the association  
240 shall maintain each of the following items, if applicable, which  
241 constitutes the official records of the association:

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

244 2. A photocopy of the recorded declaration of condominium  
245 of each condominium operated by the association and each  
246 amendment to each declaration.

247 3. A photocopy of the recorded bylaws of the association  
248 and each amendment to the bylaws.

249 4. A certified copy of the articles of incorporation of  
250 the association, or other documents creating the association,



251 and each amendment thereto.

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

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

257 7. A current roster of all unit owners and their mailing  
258 addresses, unit identifications, and voting certifications, and,  
259 if known, telephone numbers. The association shall also maintain  
260 the electronic mailing addresses and facsimile numbers of unit  
261 owners consenting to receive notice by electronic transmission.  
262 The electronic mailing addresses and facsimile numbers are not  
263 accessible to unit owners if consent to receive notice by  
264 electronic transmission is not provided in accordance with sub-  
265 subparagraph (c)3.e. ~~subparagraph (c)5.~~ However, the association  
266 is not liable for an inadvertent disclosure of the electronic  
267 mail address or facsimile number for receiving electronic  
268 transmission of notices.

269 8. All current insurance policies of the association and  
270 condominiums operated by the association.

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

275 10. Bills of sale or transfer for all property owned by



276 | the association.

277 |       11. Accounting records for the association and separate  
278 | accounting records for each condominium that the association  
279 | operates. All accounting records must be maintained for at least  
280 | 7 years. Any person who knowingly or intentionally defaces or  
281 | destroys such records, or who knowingly or intentionally fails  
282 | to create or maintain such records, with the intent of causing  
283 | harm to the association or one or more of its members, is  
284 | personally subject to a civil penalty pursuant to s.  
285 | 718.501(1)(d). The accounting records must include, but are not  
286 | limited to:

287 |       a. Accurate, itemized, and detailed records of all  
288 | receipts and expenditures.

289 |       b. A current account and a monthly, bimonthly, or  
290 | quarterly statement of the account for each unit designating the  
291 | name of the unit owner, the due date and amount of each  
292 | assessment, the amount paid on the account, and the balance due.

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

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

298 |       12. Ballots, sign-in sheets, voting proxies, and all other  
299 | papers and electronic records relating to voting by unit  
300 | owners, which must be maintained for 1 year from the date of the



301 election, vote, or meeting to which the document relates,  
302 notwithstanding paragraph (b).

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

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

307 15. All other written records of the association not  
308 specifically included in the foregoing which are related to the  
309 operation of the association.

310 16. A copy of the inspection report as described in s.  
311 718.301(4)(p).

312 17. Bids for materials, equipment, or services.

313 (b) The official records of the association must be  
314 maintained within the state for at least 7 years. The records of  
315 the association shall be made available to a unit owner within  
316 45 miles of the condominium property or within the county in  
317 which the condominium property is located within 10 ~~5~~ working  
318 days after receipt of a written request by the board or its  
319 designee. However, such distance requirement does not apply to  
320 an association governing a timeshare condominium. This paragraph  
321 may be complied with by having a copy of the official records of  
322 the association available for inspection or copying on the  
323 condominium property or association property, or the association  
324 may offer the option of making the records available to a unit  
325 owner electronically via the Internet or by allowing the records



326 | to be viewed in electronic format on a computer screen and  
327 | printed upon request. The association is not responsible for the  
328 | use or misuse of the information provided to an association  
329 | member or his or her authorized representative pursuant to the  
330 | compliance requirements of this chapter unless the association  
331 | has an affirmative duty not to disclose such information  
332 | pursuant to this chapter.

333 |       (c)1. The official records of the association are open to  
334 | inspection by any association member or the authorized  
335 | representative of such member at all reasonable times. The right  
336 | to inspect the records includes the right to make or obtain  
337 | copies, at the reasonable expense, if any, of the member or  
338 | authorized representative of such member. A renter of a unit has  
339 | a right to inspect and copy the association's bylaws and rules.  
340 | The association may adopt reasonable rules regarding the  
341 | frequency, time, location, notice, and manner of record  
342 | inspections and copying. The failure of an association to  
343 | provide the records within 10 working days after receipt of a  
344 | written request creates a rebuttable presumption that the  
345 | association willfully failed to comply with this paragraph. A  
346 | unit owner who is denied access to official records is entitled  
347 | to the actual damages or minimum damages for the association's  
348 | willful failure to comply. Minimum damages are \$50 per calendar  
349 | day for up to 10 days, beginning on the 11th working day after  
350 | receipt of the written request. The failure to permit inspection



351 | entitles any person prevailing in an enforcement action to  
352 | recover reasonable attorney fees from the person in control of  
353 | the records who, directly or indirectly, knowingly denied access  
354 | to the records.

355 |       2. Any person who knowingly or intentionally defaces or  
356 | destroys accounting records that are required by this chapter to  
357 | be maintained during the period for which such records are  
358 | required to be maintained, or who knowingly or intentionally  
359 | fails to create or maintain accounting records that are required  
360 | to be created or maintained, with the intent of causing harm to  
361 | the association or one or more of its members, is personally  
362 | subject to a civil penalty pursuant to s. 718.501(1)(d).

363 |       3. The association shall maintain an adequate number of  
364 | copies of the declaration, articles of incorporation, bylaws,  
365 | and rules, and all amendments to each of the foregoing, as well  
366 | as the question and answer sheet as described in s. 718.504 and  
367 | year-end financial information required under this section, on  
368 | the condominium property to ensure their availability to unit  
369 | owners and prospective purchasers, and may charge its actual  
370 | costs for preparing and furnishing these documents to those  
371 | requesting the documents. An association shall allow a member or  
372 | his or her authorized representative to use a portable device,  
373 | including a smartphone, tablet, portable scanner, or any other  
374 | technology capable of scanning or taking photographs, to make an  
375 | electronic copy of the official records in lieu of the



376 association's providing the member or his or her authorized  
377 representative with a copy of such records. The association may  
378 not charge a member or his or her authorized representative for  
379 the use of a portable device. Notwithstanding this paragraph,  
380 the following records are not accessible to unit owners:

381 a.1. Any record protected by the lawyer-client privilege  
382 as described in s. 90.502 and any record protected by the work-  
383 product privilege, including a record prepared by an association  
384 attorney or prepared at the attorney's express direction, which  
385 reflects a mental impression, conclusion, litigation strategy,  
386 or legal theory of the attorney or the association, and which  
387 was prepared exclusively for civil or criminal litigation or for  
388 adversarial administrative proceedings, or which was prepared in  
389 anticipation of such litigation or proceedings until the  
390 conclusion of the litigation or proceedings.

391 b.2. Information obtained by an association in connection  
392 with the approval of the lease, sale, or other transfer of a  
393 unit.

394 c.3. Personnel records of association or management  
395 company employees, including, but not limited to, disciplinary,  
396 payroll, health, and insurance records. For purposes of this  
397 sub-subparagraph ~~subparagraph~~, the term "personnel records" does  
398 not include written employment agreements with an association  
399 employee or management company, or budgetary or financial  
400 records that indicate the compensation paid to an association





401 employee.

402 d.4. Medical records of unit owners.

403 e.5. Social security numbers, driver license numbers,  
404 credit card numbers, e-mail addresses, telephone numbers,  
405 facsimile numbers, emergency contact information, addresses of a  
406 unit owner other than as provided to fulfill the association's  
407 notice requirements, and other personal identifying information  
408 of any person, excluding the person's name, unit designation,  
409 mailing address, property address, and any address, e-mail  
410 address, or facsimile number provided to the association to  
411 fulfill the association's notice requirements. Notwithstanding  
412 the restrictions in this sub-subparagraph ~~subparagraph~~, an  
413 association may print and distribute to parcel owners a  
414 directory containing the name, parcel address, and all telephone  
415 numbers of each parcel owner. However, an owner may exclude his  
416 or her telephone numbers from the directory by so requesting in  
417 writing to the association. An owner may consent in writing to  
418 the disclosure of other contact information described in this  
419 sub-subparagraph ~~subparagraph~~. The association is not liable for  
420 the inadvertent disclosure of information that is protected  
421 under this sub-subparagraph ~~subparagraph~~ if the information is  
422 included in an official record of the association and is  
423 voluntarily provided by an owner and not requested by the  
424 association.

425 f.6. Electronic security measures that are used by the



426 association to safeguard data, including passwords.

427 g.7- The software and operating system used by the  
428 association which allow the manipulation of data, even if the  
429 owner owns a copy of the same software used by the association.  
430 The data is part of the official records of the association.

431 (d) The association shall prepare a question and answer  
432 sheet as described in s. 718.504, and shall update it annually.

433 (e)1. The association or its authorized agent is not  
434 required to provide a prospective purchaser or lienholder with  
435 information about the condominium or the association other than  
436 information or documents required by this chapter to be made  
437 available or disclosed. The association or its authorized agent  
438 may charge a reasonable fee to the prospective purchaser,  
439 lienholder, or the current unit owner for providing good faith  
440 responses to requests for information by or on behalf of a  
441 prospective purchaser or lienholder, other than that required by  
442 law, if the fee does not exceed \$150 plus the reasonable cost of  
443 photocopying and any attorney's fees incurred by the association  
444 in connection with the response.

445 2. An association and its authorized agent are not liable  
446 for providing such information in good faith pursuant to a  
447 written request if the person providing the information includes  
448 a written statement in substantially the following form: "The  
449 responses herein are made in good faith and to the best of my  
450 ability as to their accuracy."



451 (f) An outgoing board or committee member must relinquish  
452 all official records and property of the association in his or  
453 her possession or under his or her control to the incoming board  
454 within 5 days after the election. The division shall impose a  
455 civil penalty as set forth in s. 718.501(1)(d)6. against an  
456 outgoing board or committee member who willfully and knowingly  
457 fails to relinquish such records and property.

458 (g)1. By July 1, 2018, an association with 150 or more  
459 units which does not manage timeshare units shall post digital  
460 copies of the documents specified in subparagraph 2. on its  
461 website.

462 a. The association's website must be:

463 (I) An independent website or web portal wholly owned and  
464 operated by the association; or

465 (II) A website or web portal operated by a third-party  
466 provider with whom the association owns, leases, rents, or  
467 otherwise obtains the right to operate a web page, subpage, web  
468 portal, or collection of subpages or web portals dedicated to  
469 the association's activities and on which required notices,  
470 records, and documents may be posted by the association.

471 b. The association's website must be accessible through  
472 the Internet and must contain a subpage, web portal, or other  
473 protected electronic location that is inaccessible to the  
474 general public and accessible only to unit owners and employees  
475 of the association.



476 c. Upon a unit owner's written request, the association  
477 must provide the unit owner with a username and password and  
478 access to the protected sections of the association's website  
479 that contain any notices, records, or documents that must be  
480 electronically provided.

481 2. A current copy of the following documents must be  
482 posted in digital format on the association's website:

483 a. The recorded declaration of condominium of each  
484 condominium operated by the association and each amendment to  
485 each declaration.

486 b. The recorded bylaws of the association and each  
487 amendment to the bylaws.

488 c. The articles of incorporation of the association, or  
489 other documents creating the association, and each amendment  
490 thereto. The copy posted pursuant to this sub-subparagraph must  
491 be a copy of the articles of incorporation filed with the  
492 Department of State.

493 d. The rules of the association.

494 e. Any management agreement, lease, or other contract to  
495 which the association is a party or under which the association  
496 or the unit owners have an obligation or responsibility.  
497 Summaries of bids for materials, equipment, or services must be  
498 maintained on the website for 1 year.

499 f. The annual budget required by s. 718.112(2)(f) and any  
500 proposed budget to be considered at the annual meeting.



501 g. The financial report required by subsection (13) and  
502 any proposed financial report to be considered at a meeting.

503 h. The certification of each director required by s.  
504 718.112(2)(d)4.b.

505 i. All contracts or transactions between the association  
506 and any director, officer, corporation, firm, or association  
507 that is not an affiliated condominium association or any other  
508 entity in which an association director is also a director or  
509 officer and financially interested.

510 j. Any contract or document regarding a conflict of  
511 interest or possible conflict of interest as provided in ss.  
512 468.436(2) and 718.3026(3).

513 k. The notice of any unit owner meeting and the agenda for  
514 the meeting, as required by s. 718.112(2)(d)3., no later than 14  
515 days before the meeting. The notice must be posted in plain view  
516 on the front page of the website, or on a separate subpage of  
517 the website labeled "Notices" which is conspicuously visible and  
518 linked from the front page. The association must also post on  
519 its website any document to be considered and voted on by the  
520 owners during the meeting or any document listed on the agenda  
521 at least 7 days before the meeting at which the document or the  
522 information within the document will be considered.

523 l. Notice of any board meeting, the agenda, and any other  
524 document required for the meeting as required by s.  
525 718.112(2)(c), which must be posted no later than the date



526 required for notice pursuant to s. 718.112(2)(c).

527 2. The association shall ensure that the information and  
528 records described in paragraph (c), which are not permitted to  
529 be accessible to unit owners, are not posted on the  
530 association's website. If protected information or information  
531 restricted from being accessible to unit owners is included in  
532 documents that are required to be posted on the association's  
533 website, the association shall ensure the information is  
534 redacted before posting the documents online.

535 (13) FINANCIAL REPORTING.—Within 90 days after the end of  
536 the fiscal year, or annually on a date provided in the bylaws,  
537 the association shall prepare and complete, or contract for the  
538 preparation and completion of, a financial report for the  
539 preceding fiscal year. Within 21 days after the final financial  
540 report is completed by the association or received from the  
541 third party, but not later than 120 days after the end of the  
542 fiscal year or other date as provided in the bylaws, the  
543 association shall mail to each unit owner at the address last  
544 furnished to the association by the unit owner, or hand deliver  
545 to each unit owner, a copy of the most recent financial report  
546 or a notice that a copy of the most recent financial report will  
547 be mailed or hand delivered to the unit owner, without charge,  
548 within 5 business days after ~~upon~~ receipt of a written request  
549 from the unit owner. The division shall adopt rules setting  
550 forth uniform accounting principles and standards to be used by



551 all associations and addressing the financial reporting  
552 requirements for multicondominium associations. The rules must  
553 include, but not be limited to, standards for presenting a  
554 summary of association reserves, including a good faith estimate  
555 disclosing the annual amount of reserve funds that would be  
556 necessary for the association to fully fund reserves for each  
557 reserve item based on the straight-line accounting method. This  
558 disclosure is not applicable to reserves funded via the pooling  
559 method. In adopting such rules, the division shall consider the  
560 number of members and annual revenues of an association.

561 Financial reports shall be prepared as follows:

562 (a) An association that meets the criteria of this  
563 paragraph shall prepare a complete set of financial statements  
564 in accordance with generally accepted accounting principles. The  
565 financial statements must be based upon the association's total  
566 annual revenues, as follows:

567 1. An association with total annual revenues of \$150,000  
568 or more, but less than \$300,000, shall prepare compiled  
569 financial statements.

570 2. An association with total annual revenues of at least  
571 \$300,000, but less than \$500,000, shall prepare reviewed  
572 financial statements.

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

575 (b)1. An association with total annual revenues of less



576 than \$150,000 shall prepare a report of cash receipts and  
577 expenditures.

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

582 2.3. A report of cash receipts and disbursements must  
583 disclose the amount of receipts by accounts and receipt  
584 classifications and the amount of expenses by accounts and  
585 expense classifications, including, but not limited to, the  
586 following, as applicable: costs for security, professional and  
587 management fees and expenses, taxes, costs for recreation  
588 facilities, expenses for refuse collection and utility services,  
589 expenses for lawn care, costs for building maintenance and  
590 repair, insurance costs, administration and salary expenses, and  
591 reserves accumulated and expended for capital expenditures,  
592 deferred maintenance, and any other category for which the  
593 association maintains reserves.

594 (c) An association may prepare, without a meeting of or  
595 approval by the unit owners:

596 1. Compiled, reviewed, or audited financial statements, if  
597 the association is required to prepare a report of cash receipts  
598 and expenditures;

599 2. Reviewed or audited financial statements, if the  
600 association is required to prepare compiled financial





601 statements; or

602 3. Audited financial statements if the association is  
603 required to prepare reviewed financial statements.

604 (d) If approved by a majority of the voting interests  
605 present at a properly called meeting of the association, an  
606 association may prepare:

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

609 2. A report of cash receipts and expenditures or a  
610 compiled financial statement in lieu of a reviewed or audited  
611 financial statement; or

612 3. A report of cash receipts and expenditures, a compiled  
613 financial statement, or a reviewed financial statement in lieu  
614 of an audited financial statement.

615  
616 Such meeting and approval must occur before the end of the  
617 fiscal year and is effective only for the fiscal year in which  
618 the vote is taken, except that the approval may also be  
619 effective for the following fiscal year. If the developer has  
620 not turned over control of the association, all unit owners,  
621 including the developer, may vote on issues related to the  
622 preparation of the association's financial reports, from the  
623 date of incorporation of the association through the end of the  
624 second fiscal year after the fiscal year in which the  
625 certificate of a surveyor and mapper is recorded pursuant to s.



626 718.104(4)(e) or an instrument that transfers title to a unit in  
627 the condominium which is not accompanied by a recorded  
628 assignment of developer rights in favor of the grantee of such  
629 unit is recorded, whichever occurs first. Thereafter, all unit  
630 owners except the developer may vote on such issues until  
631 control is turned over to the association by the developer. Any  
632 audit or review prepared under this section shall be paid for by  
633 the developer if done before turnover of control of the  
634 association. ~~An association may not waive the financial~~  
635 ~~reporting requirements of this section for more than 3~~  
636 ~~consecutive years.~~

637 (e) A unit owner may provide written notice to the  
638 division of the association's failure to mail or hand deliver  
639 him or her a copy of the most recent financial report within 5  
640 business days after he or she submitted a written request to the  
641 association for a copy of such report. If the division  
642 determines that the association failed to mail or hand deliver a  
643 copy of the most recent financial report to the unit owner, the  
644 division shall provide written notice to the association that  
645 the association must mail or hand deliver a copy of the most  
646 recent financial report to the unit owner and the division  
647 within 5 business days after it receives such notice from the  
648 division. An association that fails to comply with the  
649 division's request may not waive the financial reporting  
650 requirement provided in paragraph (d). A financial report



651 received by the division pursuant to this paragraph shall be  
652 maintained, and the division shall provide a copy of such report  
653 to an association member upon his or her request.

654 (15) DEBIT CARDS.—

655 (a) An association and its officers, directors, employees,  
656 and agents may not use a debit card issued in the name of the  
657 association, or billed directly to the association, for the  
658 payment of any association expense.

659 (b) Use of a debit card issued in the name of the  
660 association, or billed directly to the association, for any  
661 expense that is not a lawful obligation of the association may  
662 be prosecuted as credit card fraud pursuant to s. 817.61.

663 Section 3. Paragraphs (c) and (l) of subsection (2) of  
664 section 718.112, Florida Statutes, are amended to read:

665 718.112 Bylaws.—

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

669 (c) Board of administration meetings.—Meetings of the  
670 board of administration at which a quorum of the members is  
671 present are open to all unit owners. Members of the board of  
672 administration may use e-mail as a means of communication but  
673 may not cast a vote on an association matter via e-mail. A unit  
674 owner may tape record or videotape the meetings. The right to  
675 attend such meetings includes the right to speak at such



676 meetings with reference to all designated agenda items. The  
677 division shall adopt reasonable rules governing the tape  
678 recording and videotaping of the meeting. The association may  
679 adopt written reasonable rules governing the frequency,  
680 duration, and manner of unit owner statements.

681 1. Adequate notice of all board meetings, which must  
682 specifically identify all agenda items, must be posted  
683 conspicuously on the condominium property at least 48 continuous  
684 hours before the meeting except in an emergency. If 20 percent  
685 of the voting interests petition the board to address an item of  
686 business, the board, within 60 days after receipt of the  
687 petition, shall place the item on the agenda at its next regular  
688 board meeting or at a special meeting called for that purpose.  
689 An item not included on the notice may be taken up on an  
690 emergency basis by a vote of at least a majority plus one of the  
691 board members. Such emergency action must be noticed and  
692 ratified at the next regular board meeting. Notice of any  
693 meeting in which a regular or special assessment against unit  
694 owners is to be considered must specifically state that  
695 assessments will be considered and provide the estimated amount  
696 and a description of the purposes for such assessments. ~~However,~~  
697 Written notice of a meeting at which a nonemergency special  
698 assessment or an amendment to rules regarding unit use will be  
699 considered must be mailed, delivered, or electronically  
700 transmitted to the unit owners and posted conspicuously on the



701 condominium property at least 14 days before the meeting.  
702 Evidence of compliance with this 14-day notice requirement must  
703 be made by an affidavit executed by the person providing the  
704 notice and filed with the official records of the association.  
705 Upon notice to the unit owners, the board shall, by duly adopted  
706 rule, designate a specific location on the condominium or  
707 association property where all notices of board meetings must be  
708 posted. If there is no condominium property or association  
709 property where notices can be posted, notices shall be mailed,  
710 delivered, or electronically transmitted to each unit owner at  
711 least 14 days before the meeting. In lieu of or in addition to  
712 the physical posting of the notice on the condominium property,  
713 the association may, by reasonable rule, adopt a procedure for  
714 conspicuously posting and repeatedly broadcasting the notice and  
715 the agenda on a closed-circuit cable television system serving  
716 the condominium association. However, if broadcast notice is  
717 used in lieu of a notice physically posted on condominium  
718 property, the notice and agenda must be broadcast at least four  
719 times every broadcast hour of each day that a posted notice is  
720 otherwise required under this section. If broadcast notice is  
721 provided, the notice and agenda must be broadcast in a manner  
722 and for a sufficient continuous length of time so as to allow an  
723 average reader to observe the notice and read and comprehend the  
724 entire content of the notice and the agenda. In addition to any  
725 of the authorized means of providing notice of a meeting of the



726 board, the association may, by rule, adopt a procedure for  
727 conspicuously posting the meeting notice and the agenda on a  
728 website serving the condominium association for at least the  
729 minimum period of time for which a notice of a meeting is also  
730 required to be physically posted on the condominium property.  
731 Any rule adopted shall, in addition to other matters, include a  
732 requirement that the association send an electronic notice in  
733 the same manner as required for a notice for a meeting of the  
734 members, which must include a hypertext link to the website  
735 where the notice is posted, to unit owners whose e-mail  
736 addresses are included in the association's official records.  
737 ~~Notice of any meeting in which regular or special assessments~~  
738 ~~against unit owners are to be considered must specifically state~~  
739 ~~that assessments will be considered and provide the nature,~~  
740 ~~estimated cost, and description of the purposes for such~~  
741 ~~assessments.~~

742 2. Meetings of a committee to take final action on behalf  
743 of the board or make recommendations to the board regarding the  
744 association budget are subject to this paragraph. Meetings of a  
745 committee that does not take final action on behalf of the board  
746 or make recommendations to the board regarding the association  
747 budget are subject to this section, unless those meetings are  
748 exempted from this section by the bylaws of the association.

749 3. Notwithstanding any other law, the requirement that  
750 board meetings and committee meetings be open to the unit owners



751 does not apply to:

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

756 b. Board meetings held for the purpose of discussing  
757 personnel matters.

758 (1) Certificate of compliance.—A provision that a  
759 certificate of compliance from a licensed electrical contractor,  
760 ~~or electrician,~~ or professional engineer may be accepted by the  
761 association's board as evidence of compliance ~~of the condominium~~  
762 ~~units~~ with the applicable fire and life safety code must be  
763 included. Notwithstanding chapter 633 or ~~of~~ any other code,  
764 statute, ordinance, administrative rule, or regulation, or any  
765 interpretation of the foregoing, an association, ~~residential~~  
766 ~~condominium,~~ or unit owner is not obligated to retrofit the  
767 common elements, association property, or units of a residential  
768 condominium with a fire sprinkler system or other engineered  
769 lifesafety system in a building that is 75 feet or less in  
770 height. There is no obligation to retrofit for a building  
771 greater than 75 feet in height, calculated from the lowest level  
772 of fire department vehicle access to the floor of the highest  
773 occupiable story ~~has been certified for occupancy by the~~  
774 ~~applicable governmental entity~~ if the unit owners have voted to  
775 forego such retrofitting by the affirmative vote of two-thirds a



776 ~~majority~~ of all voting interests in the affected condominium.  
777 There is no requirement that owners in condominiums of 75 feet  
778 or less conduct an opt-out vote and such condominiums are exempt  
779 from fire sprinkler or other engineered lifesafety retrofitting.  
780 The preceding sentence is intended to clarify existing law. The  
781 local authority having jurisdiction may not require completion  
782 of retrofitting with a fire sprinkler system or other engineered  
783 lifesafety system before January 1, 2022 ~~2020~~. By December 31,  
784 2018 ~~2016~~, an a residential condominium association that  
785 operates a residential condominium that is not in compliance  
786 with the requirements for a fire sprinkler system or other  
787 engineered lifesafety system and has not voted to forego  
788 retrofitting of such a system must initiate an application for a  
789 building permit for the required installation with the local  
790 government having jurisdiction demonstrating that the  
791 association will become compliant by December 31, 2021 ~~2019~~.

792 1. A vote to forego required retrofitting may be obtained  
793 by limited proxy or by a ballot personally cast at a duly called  
794 membership meeting, or by execution of a written consent by the  
795 member, or by electronic voting, and is effective upon recording  
796 a certificate executed by an officer or agent of the association  
797 attesting to such vote in the public records of the county where  
798 the condominium is located. When an opt-out vote is to be  
799 conducted at a meeting, the association shall mail or ~~hand~~  
800 deliver to each unit owner written notice at least 14 days





801 before the membership meeting in which the vote to forego  
802 retrofitting of the required fire sprinkler system or other  
803 engineered lifesafety system is to take place. Within 30 days  
804 after the association's opt-out vote, notice of the results of  
805 the opt-out vote must be mailed or ~~hand~~ delivered to all unit  
806 owners. Evidence of compliance with this notice requirement must  
807 be made by affidavit executed by the person providing the notice  
808 and filed among the official records of the association. Failure  
809 to provide timely notice to unit owners does not invalidate an  
810 otherwise valid opt-out vote if notice of the results is  
811 provided to the owners. After notice is provided to each owner,  
812 a copy must be provided by the current owner to a new owner  
813 before closing and by a unit owner to a renter before signing a  
814 lease.

815 2. If there has been a previous vote to forego  
816 retrofitting, a vote to require retrofitting may be obtained at  
817 a special meeting of the unit owners called by a petition of at  
818 least 10 percent of the voting interests or by a majority of the  
819 board of directors. The approval of two-thirds of all voting  
820 interests in the affected condominium is required to require  
821 retrofitting. ~~Such a vote may only be called once every 3 years.~~  
822 Notice shall be provided as required for any regularly called  
823 meeting of the unit owners, and must state the purpose of the  
824 meeting. ~~Electronic transmission may not be used to provide~~  
825 ~~notice of a meeting called in whole or in part for this purpose.~~



826           3. As part of the information collected annually from  
827 condominiums, the division shall require condominium  
828 associations to report the membership vote and recording of a  
829 certificate under this subsection and, if retrofitting has been  
830 undertaken, the per-unit cost of such work. The division shall  
831 annually report to the Division of State Fire Marshal of the  
832 Department of Financial Services the number of condominiums that  
833 have elected to forego retrofitting. Compliance with this  
834 administrative reporting requirement does not affect the  
835 validity of an opt-out vote.

836           4. Notwithstanding s. 553.509, a residential association  
837 may not be obligated to, and may forego the retrofitting of, any  
838 improvements required by s. 553.509(2) upon an affirmative vote  
839 of a majority of the voting interests in the affected  
840 condominium.

841           5. The provisions of this paragraph do not apply to  
842 timeshare condominium associations, which shall be governed by  
843 s. 721.24.

844           Section 4. Subsection (2) of section 718.113, Florida  
845 Statutes, is amended to read:

846           718.113 Maintenance; limitation upon improvement; display  
847 of flag; hurricane shutters and protection; display of religious  
848 decorations.—

849           (2) (a) Except as otherwise provided in this section, there  
850 shall be no material alteration or substantial additions to the



851 common elements or to real property which is association  
852 property, except in a manner provided in the declaration as  
853 originally recorded or as amended under the procedures provided  
854 therein. If the declaration as originally recorded or as amended  
855 under the procedures provided therein does not specify the  
856 procedure for approval of material alterations or substantial  
857 additions, 75 percent of the total voting interests of the  
858 association must approve the alterations or additions before the  
859 material alterations or substantial additions are commenced.

860 This paragraph is intended to clarify existing law and applies  
861 to associations existing on the effective date of this act  
862 ~~October 1, 2008.~~

863 (b) There shall not be any material alteration of, or  
864 substantial addition to, the common elements of any condominium  
865 operated by a multicondominium association unless approved in  
866 the manner provided in the declaration of the affected  
867 condominium or condominiums as originally recorded or as amended  
868 under the procedures provided therein. If a declaration as  
869 originally recorded or as amended under the procedures provided  
870 therein does not specify a procedure for approving such an  
871 alteration or addition, the approval of 75 percent of the total  
872 voting interests of each affected condominium is required before  
873 the material alterations or substantial additions are commenced.

874 This subsection does not prohibit a provision in any  
875 declaration, articles of incorporation, or bylaws as originally



876 recorded or as amended under the procedures provided therein  
877 requiring the approval of unit owners in any condominium  
878 operated by the same association or requiring board approval  
879 before a material alteration or substantial addition to the  
880 common elements is permitted. This paragraph is intended to  
881 clarify existing law and applies to associations existing on the  
882 effective date of this act.

883 (c) There shall not be any material alteration or  
884 substantial addition made to association real property operated  
885 by a multicondominium association, except as provided in the  
886 declaration, articles of incorporation, or bylaws as originally  
887 recorded or as amended under the procedures provided therein. If  
888 the declaration, articles of incorporation, or bylaws as  
889 originally recorded or as amended under the procedures provided  
890 therein do not specify the procedure for approving an alteration  
891 or addition to association real property, the approval of 75  
892 percent of the total voting interests of the association is  
893 required before the material alterations or substantial  
894 additions are commenced. This paragraph is intended to clarify  
895 existing law and applies to associations existing on the  
896 effective date of this act.

897 Section 5. Subsections (1) and (3) of section 718.117,  
898 Florida Statutes, are amended, and subsection (21) is added to  
899 that section, to read:

900 718.117 Termination of condominium.—



901           (1) LEGISLATIVE FINDINGS.—The Legislature finds that:

902           (a) Condominiums are created as authorized by statute and  
903 are subject to covenants that encumber the land and restrict the  
904 use of real property.

905           (b) In some circumstances, the continued enforcement of  
906 those covenants that may create economic waste, areas of  
907 disrepair that threaten the safety and welfare of the public, or  
908 cause obsolescence of the a—condominium property for its  
909 intended use and thereby lower property tax values, and the  
910 ~~Legislature further finds that~~ it is the public policy of this  
911 state to provide by statute a method to preserve the value of  
912 the property interests and the rights of alienation thereof that  
913 owners have in the condominium property before and after  
914 termination.

915           (c) The Legislature further finds that It is contrary to  
916 the public policy of this state to require the continued  
917 operation of a condominium when to do so constitutes economic  
918 waste or when the ability to do so is made impossible by law or  
919 regulation.

920           (d) It is in the best interest of the state to provide for  
921 termination of the covenants of a declaration of condominium in  
922 certain circumstances, in order to:

923           1. Ensure the continued maintenance, management, and  
924 repair of stormwater management systems, conservation areas, and  
925 conservation easements.



926           2. Avoid transferring the expense of maintaining  
927 infrastructure serving the condominium property, including, but  
928 not limited to, stormwater systems and conservation areas, to  
929 the general tax bases of the state and local governments.

930           3. Prevent covenants from impairing the continued  
931 productive use of the property.

932           4. Protect state residents from health and safety hazards  
933 created by derelict, damaged, obsolete, or abandoned condominium  
934 properties.

935           5. Provide for fair treatment and just compensation for  
936 individuals, preserve property values, and preserve the local  
937 property tax base.

938           6. Preserve the state's long history of protecting  
939 homestead property and homestead property rights by ensuring  
940 that such protection is extended to homestead property owners in  
941 the context of a termination of the covenants of a declaration  
942 of condominium. This section applies to all condominiums in this  
943 state in existence on or after July 1, 2007.

944           (3) OPTIONAL TERMINATION. ~~Except as provided in subsection~~  
945 ~~(2) or unless the declaration provides for a lower percentage,~~  
946 The condominium form of ownership may be terminated for all or a  
947 portion of the condominium property pursuant to a plan of  
948 termination meeting the requirements of this section and  
949 approved by the division. Before a residential association  
950 submits a plan to the division, the plan must be approved by at



951 | least 80 percent of the total voting interests of the  
952 | condominium. However, if 5 ~~10~~ percent or more of the total  
953 | voting interests of the condominium have rejected the plan of  
954 | termination by negative vote or by providing written objections,  
955 | the plan of termination may not proceed.

956 |       (a) The termination of the condominium form of ownership  
957 | is subject to the following conditions:

958 |       1. The total voting interests of the condominium must  
959 | include all voting interests for the purpose of considering a  
960 | plan of termination. A voting interest of the condominium may  
961 | not be suspended for any reason when voting on termination  
962 | pursuant to this subsection.

963 |       2. If 5 ~~10~~ percent or more of the total voting interests  
964 | of the condominium reject a plan of termination, a subsequent  
965 | plan of termination pursuant to this subsection may not be  
966 | considered for 24 ~~18~~ months after the date of the rejection.

967 |       (b) This subsection does not apply to any condominium  
968 | created pursuant to part VI of this chapter until 10 ~~5~~ years  
969 | after the recording of the declaration of condominium, unless  
970 | there is no objection to the plan of termination.

971 |       (c) For purposes of this subsection, the term "bulk owner"  
972 | means the single holder of such voting interests or an owner  
973 | together with a related entity or entities that would be  
974 | considered an insider, as defined in s. 726.102, holding such  
975 | voting interests. If the condominium association is a



976 residential association proposed for termination pursuant to  
977 this section and, at the time of recording the plan of  
978 termination, at least 80 percent of the total voting interests  
979 are owned by a bulk owner, the plan of termination is subject to  
980 the following conditions and limitations:

981 1. If the former condominium units are offered for lease  
982 to the public after the termination, each unit owner in  
983 occupancy immediately before the date of recording of the plan  
984 of termination may lease his or her former unit and remain in  
985 possession of the unit for 12 months after the effective date of  
986 the termination on the same terms as similar unit types within  
987 the property are being offered to the public. In order to obtain  
988 a lease and exercise the right to retain exclusive possession of  
989 the unit owner's former unit, the unit owner must make a written  
990 request to the termination trustee to rent the former unit  
991 within 90 days after the date the plan of termination is  
992 recorded. Any unit owner who fails to timely make such written  
993 request and sign a lease within 15 days after being presented  
994 with a lease is deemed to have waived his or her right to retain  
995 possession of his or her former unit and shall be required to  
996 vacate the former unit upon the effective date of the  
997 termination, unless otherwise provided in the plan of  
998 termination.

999 2. Any former unit owner whose unit was granted homestead  
1000 exemption status by the applicable county property appraiser as





1001 of the date of the recording of the plan of termination shall be  
1002 paid a relocation payment in an amount equal to 1 percent of the  
1003 termination proceeds allocated to the owner's former unit. Any  
1004 relocation payment payable under this subparagraph shall be paid  
1005 by the single entity or related entities owning at least 80  
1006 percent of the total voting interests. Such relocation payment  
1007 shall be in addition to the termination proceeds for such  
1008 owner's former unit and shall be paid no later than 10 days  
1009 after the former unit owner vacates his or her former unit.

1010 3. For their respective units, all unit owners other than  
1011 the bulk owner must be compensated at least 100 percent of the  
1012 fair market value of their units. The fair market value shall be  
1013 determined as of a date that is no earlier than 90 days before  
1014 the date that the plan of termination is recorded and shall be  
1015 determined by an independent appraiser selected by the  
1016 termination trustee. For a person ~~an original purchaser from the~~  
1017 ~~developer who rejects the plan of termination and~~ whose unit was  
1018 granted homestead exemption status by the applicable county  
1019 property appraiser, or was an owner-occupied operating business,  
1020 as of the date that the plan of termination is recorded and who  
1021 is current in payment of both assessments and other monetary  
1022 obligations to the association ~~and any mortgage encumbering the~~  
1023 ~~unit~~ as of the date the plan of termination is recorded, the  
1024 fair market value for the unit owner rejecting the plan shall be  
1025 at least the original purchase price paid for the unit. For



1026 | purposes of this subparagraph, the term "fair market value"  
1027 | means the price of a unit that a seller is willing to accept and  
1028 | a buyer is willing to pay on the open market in an arms-length  
1029 | transaction based on similar units sold in other condominiums,  
1030 | including units sold in bulk purchases but excluding units sold  
1031 | at wholesale or distressed prices. The purchase price of units  
1032 | acquired in bulk following a bankruptcy or foreclosure shall not  
1033 | be considered for purposes of determining fair market value.

1034 |         4. The plan of termination must provide for payment of a  
1035 | first mortgage encumbering a unit to the extent necessary to  
1036 | satisfy the lien, but the payment may not exceed the unit's  
1037 | share of the proceeds of termination under the plan. If the unit  
1038 | owner is current in payment of both assessments and other  
1039 | monetary obligations to the association and any mortgage  
1040 | encumbering the unit as of the date the plan of termination is  
1041 | recorded, the receipt by the holder of the unit's share of the  
1042 | proceeds of termination under the plan or the outstanding  
1043 | balance of the mortgage, whichever is less, shall be deemed to  
1044 | have satisfied the first mortgage in full.

1045 |         5. Before a plan of termination is presented to the unit  
1046 | owners for consideration pursuant to this paragraph, the plan  
1047 | must include the following written disclosures in a sworn  
1048 | statement:

1049 |             a. The identity of any person or entity that owns or  
1050 | controls 25 ~~50~~ percent or more of the units in the condominium



1051 and, if the units are owned by an artificial entity or entities,  
1052 a disclosure of the natural person or persons who, directly or  
1053 indirectly, manage or control the entity or entities and the  
1054 natural person or persons who, directly or indirectly, own or  
1055 control 10 ~~20~~ percent or more of the artificial entity or  
1056 entities that constitute the bulk owner.

1057 b. The units acquired by any bulk owner, the date each  
1058 unit was acquired, and the total amount of compensation paid to  
1059 each prior unit owner by the bulk owner, regardless of whether  
1060 attributed to the purchase price of the unit.

1061 c. The relationship of any board member to the bulk owner  
1062 or any person or entity affiliated with the bulk owner subject  
1063 to disclosure pursuant to this subparagraph.

1064 d. The factual circumstances that show that the plan  
1065 complies with the requirements of this section and that the plan  
1066 supports the expressed public policies of this section.

1067 (d) If the members of the board of administration are  
1068 elected by the bulk owner, unit owners other than the bulk owner  
1069 may elect at least one-third of the members of the board of  
1070 administration before the approval of any plan of termination.

1071 (e) The provisions of subsection (2) do not apply to  
1072 optional termination pursuant to this subsection.

1073 (21) APPLICABILITY.—This section applies to all  
1074 condominiums in this state in existence on or after July 1,  
1075 2007.



1076           Section 6. The amendments made by Section 5 of this act  
1077 are intended to clarify existing law, are remedial in nature and  
1078 intended to address the rights and liabilities of the affected  
1079 parties, and apply to all condominiums created under the  
1080 Condominium Act.

1081           Section 7. Section 718.707, Florida Statutes, is amended  
1082 to read:

1083           718.707 Time limitation for classification as bulk  
1084 assignee or bulk buyer.—A person acquiring condominium parcels  
1085 may not be classified as a bulk assignee or bulk buyer unless  
1086 the condominium parcels were acquired on or after July 1, 2010~~7~~  
1087 ~~but before July 1, 2018~~. The date of such acquisition shall be  
1088 determined by the date of recording a deed or other instrument  
1089 of conveyance for such parcels in the public records of the  
1090 county in which the condominium is located, or by the date of  
1091 issuing a certificate of title in a foreclosure proceeding with  
1092 respect to such condominium parcels.

1093           Section 8. Paragraphs (a) and (b) of subsection (2) and  
1094 paragraphs (b) and (c) of subsection (4) of section 719.104,  
1095 Florida Statutes, are amended to read:

1096           719.104 Cooperatives; access to units; records; financial  
1097 reports; assessments; purchase of leases.—

1098           (2) OFFICIAL RECORDS.—

1099           (a) From the inception of the association, the association  
1100 shall maintain a copy of each of the following, where



1101 applicable, which shall constitute the official records of the  
1102 association:

1103 1. The plans, permits, warranties, and other items  
1104 provided by the developer pursuant to s. 719.301(4).

1105 2. A photocopy of the cooperative documents.

1106 3. A copy of the current rules of the association.

1107 4. A book or books containing the minutes of all meetings  
1108 of the association, of the board of directors, and of the unit  
1109 owners, which minutes shall be retained for a period of not less  
1110 than 7 years.

1111 5. A current roster of all unit owners and their mailing  
1112 addresses, unit identifications, voting certifications, and, if  
1113 known, telephone numbers. The association shall also maintain  
1114 the electronic mailing addresses and the numbers designated by  
1115 unit owners for receiving notice sent by electronic transmission  
1116 of those unit owners consenting to receive notice by electronic  
1117 transmission. The electronic mailing addresses and numbers  
1118 provided by unit owners to receive notice by electronic  
1119 transmission shall be removed from association records when  
1120 consent to receive notice by electronic transmission is revoked.  
1121 However, the association is not liable for an erroneous  
1122 disclosure of the electronic mail address or the number for  
1123 receiving electronic transmission of notices.

1124 6. All current insurance policies of the association.

1125 7. A current copy of any management agreement, lease, or



1126 other contract to which the association is a party or under  
1127 which the association or the unit owners have an obligation or  
1128 responsibility.

1129 8. Bills of sale or transfer for all property owned by the  
1130 association.

1131 9. Accounting records for the association and separate  
1132 accounting records for each unit it operates, according to good  
1133 accounting practices. All accounting records shall be maintained  
1134 for a period of not less than 7 years. The accounting records  
1135 shall include, but not be limited to:

1136 a. Accurate, itemized, and detailed records of all  
1137 receipts and expenditures.

1138 b. A current account and a monthly, bimonthly, or  
1139 quarterly statement of the account for each unit designating the  
1140 name of the unit owner, the due date and amount of each  
1141 assessment, the amount paid upon the account, and the balance  
1142 due.

1143 c. All audits, reviews, accounting statements, and  
1144 financial reports of the association.

1145 d. All contracts for work to be performed. Bids for work  
1146 to be performed shall also be considered official records and  
1147 shall be maintained for a period of 1 year.

1148 10. Ballots, sign-in sheets, voting proxies, and all other  
1149 papers and electronic records relating to voting by unit owners,  
1150 which shall be maintained for a period of 1 year after the date



1151 of the election, vote, or meeting to which the document relates.

1152 11. All rental records where the association is acting as  
1153 agent for the rental of units.

1154 12. A copy of the current question and answer sheet as  
1155 described in s. 719.504.

1156 13. All other written records of the association not  
1157 specifically included in the foregoing which are related to the  
1158 operation of the association.

1159 (b) The official records of the association must be  
1160 maintained within the state for at least 7 years. The records of  
1161 the association shall be made available to a unit owner within  
1162 45 miles of the cooperative property or within the county in  
1163 which the cooperative property is located within 10 ~~5~~ working  
1164 days after receipt of written request by the board or its  
1165 designee. This paragraph may be complied with by having a copy  
1166 of the official records of the association available for  
1167 inspection or copying on the cooperative property or the  
1168 association may offer the option of making the records available  
1169 to a unit owner electronically via the Internet or by allowing  
1170 the records to be viewed in an electronic format on a computer  
1171 screen and printed upon request. The association is not  
1172 responsible for the use or misuse of the information provided to  
1173 an association member or his or her authorized representative  
1174 pursuant to the compliance requirements of this chapter unless  
1175 the association has an affirmative duty not to disclose such



1176 information pursuant to this chapter.

1177 (4) FINANCIAL REPORT.—

1178 (b) Except as provided in paragraph (c), an association  
1179 whose total annual revenues meet the criteria of this paragraph  
1180 shall prepare or cause to be prepared a complete set of  
1181 financial statements according to the generally accepted  
1182 accounting principles adopted by the Board of Accountancy. The  
1183 financial statements shall be as follows:

1184 1. An association with total annual revenues between  
1185 \$150,000 and \$299,999 shall prepare a compiled financial  
1186 statement.

1187 2. An association with total annual revenues between  
1188 \$300,000 and \$499,999 shall prepare a reviewed financial  
1189 statement.

1190 3. An association with total annual revenues of \$500,000  
1191 or more shall prepare an audited financial statement.

1192 4. The requirement to have the financial statement  
1193 compiled, reviewed, or audited does not apply to an association  
1194 if a majority of the voting interests of the association present  
1195 at a duly called meeting of the association have voted to waive  
1196 this requirement for the fiscal year. In an association in which  
1197 turnover of control by the developer has not occurred, the  
1198 developer may vote to waive the audit requirement for the first  
1199 2 years of operation of the association, after which time waiver  
1200 of an applicable audit requirement shall be by a majority of





1201 voting interests other than the developer. The meeting shall be  
1202 held prior to the end of the fiscal year, and the waiver shall  
1203 be effective for only one fiscal year. ~~An association may not~~  
1204 ~~waive the financial reporting requirements of this section for~~  
1205 ~~more than 3 consecutive years.~~

1206 (c)1. An association with total annual revenues of less  
1207 than \$150,000 shall prepare a report of cash receipts and  
1208 expenditures.

1209 ~~2. An association in a community of fewer than 50 units,~~  
1210 ~~regardless of the association's annual revenues, shall prepare a~~  
1211 ~~report of cash receipts and expenditures in lieu of the~~  
1212 ~~financial statements required by paragraph (b), unless the~~  
1213 ~~declaration or other recorded governing documents provide~~  
1214 ~~otherwise.~~

1215 2.3. A report of cash receipts and expenditures must  
1216 disclose the amount of receipts by accounts and receipt  
1217 classifications and the amount of expenses by accounts and  
1218 expense classifications, including the following, as applicable:  
1219 costs for security, professional, and management fees and  
1220 expenses; taxes; costs for recreation facilities; expenses for  
1221 refuse collection and utility services; expenses for lawn care;  
1222 costs for building maintenance and repair; insurance costs;  
1223 administration and salary expenses; and reserves, if maintained  
1224 by the association.

1225 Section 9. Subsection (5) of section 719.1055, Florida



1226 Statutes, is amended to read:

1227 719.1055 Amendment of cooperative documents; alteration  
1228 and acquisition of property.-

1229 (5) The bylaws must include a provision whereby a  
1230 certificate of compliance from a licensed electrical contractor,  
1231 ~~or~~ electrician, or professional engineer may be accepted by the  
1232 association's board as evidence of compliance ~~of the cooperative~~  
1233 ~~units~~ with the applicable fire and life safety code.

1234 (a)1. Notwithstanding chapter 633 or any other code,  
1235 statute, ordinance, administrative rule, or regulation, or any  
1236 interpretation of the foregoing, an association a cooperative or  
1237 unit owner is not obligated to retrofit the common elements or  
1238 units of a residential cooperative with a fire sprinkler system  
1239 or other engineered lifesafety system in a building that is 75  
1240 feet or less in height. There is no obligation to retrofit for a  
1241 building greater than 75 feet in height, calculated from the  
1242 lowest level of fire department vehicle access to the floor of  
1243 the highest occupiable story has been certified for occupancy by  
1244 ~~the applicable governmental entity~~ if the unit owners have voted  
1245 to forego such retrofitting by the affirmative vote of two-  
1246 thirds a majority of all voting interests in the affected  
1247 cooperative. There is no requirement that owners in cooperatives  
1248 of 75 feet or less conduct an opt-out vote and such cooperatives  
1249 are exempt from fire sprinkler or other engineered life safety  
1250 retrofitting. The preceding sentence is intended to clarify



1251 existing law. The local authority having jurisdiction may not  
1252 require completion of retrofitting with a fire sprinkler system  
1253 or other engineered life safety system before January 1, 2022  
1254 ~~the end of 2019~~. By December 31, 2018 ~~2016~~, a cooperative that  
1255 is not in compliance with the requirements for a fire sprinkler  
1256 system or other engineered lifesafety system and has not voted  
1257 to forego retrofitting of such a system must initiate an  
1258 application for a building permit for the required installation  
1259 with the local government having jurisdiction demonstrating that  
1260 the cooperative will become compliant by December 31, 2021 ~~2019~~.

1261 2. A vote to forego required retrofitting may be obtained  
1262 by limited proxy or by a ballot personally cast at a duly called  
1263 membership meeting, or by execution of a written consent by the  
1264 member, or by electronic voting, and is effective upon recording  
1265 a certificate executed by an officer or agent of the association  
1266 attesting to such vote in the public records of the county where  
1267 the cooperative is located. When the opt-out vote is to be  
1268 conducted at a meeting, the cooperative shall mail or ~~hand~~  
1269 deliver to each unit owner written notice at least 14 days  
1270 before the membership meeting in which the vote to forego  
1271 retrofitting of the required fire sprinkler system or other  
1272 engineered lifesafety system is to take place. Within 30 days  
1273 after the cooperative's opt-out vote, notice of the results of  
1274 the opt-out vote must be mailed or ~~hand~~ delivered to all unit  
1275 owners. Evidence of compliance with this notice requirement must



1276 | be made by affidavit executed by the person providing the notice  
1277 | and filed among the official records of the cooperative. Failure  
1278 | to provide timely notice to unit owners does not invalidate an  
1279 | otherwise valid opt-out vote if notice of the results is  
1280 | provided to the owners. After notice is provided to each owner,  
1281 | a copy must be provided by the current owner to a new owner  
1282 | before closing and by a unit owner to a renter before signing a  
1283 | lease.

1284 |       (b) If there has been a previous vote to forego  
1285 | retrofitting, a vote to require retrofitting may be obtained at  
1286 | a special meeting of the unit owners called by a petition of  
1287 | least 10 percent of the voting interests or by a majority of the  
1288 | board of directors. The approval of two-thirds of all voting  
1289 | interests in the affected condominium is required to require  
1290 | retrofitting. ~~Such vote may only be called once every 3 years.~~  
1291 | Notice must be provided as required for any regularly called  
1292 | meeting of the unit owners, and the notice must state the  
1293 | purpose of the meeting. ~~Electronic transmission may not be used~~  
1294 | ~~to provide notice of a meeting called in whole or in part for~~  
1295 | ~~this purpose.~~

1296 |       (c) As part of the information collected annually from  
1297 | cooperatives, the division shall require associations to report  
1298 | the membership vote and recording of a certificate under this  
1299 | subsection and, if retrofitting has been undertaken, the per-  
1300 | unit cost of such work. The division shall annually report to



1301 the Division of State Fire Marshal of the Department of  
1302 Financial Services the number of cooperatives that have elected  
1303 to forego retrofitting. Compliance with this administrative  
1304 reporting requirement does not affect the validity of an opt-out  
1305 vote.

1306 Section 10. Paragraphs (a) and (c) of subsection (1) of  
1307 section 719.106, Florida Statutes, are amended, and paragraph  
1308 (m) is added to that subsection, to read:

1309 719.106 Bylaws; cooperative ownership.—

1310 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative  
1311 documents shall provide for the following, and if they do not,  
1312 they shall be deemed to include the following:

1313 (a) Administration.—

1314 1. The form of administration of the association shall be  
1315 described, indicating the titles of the officers and board of  
1316 administration and specifying the powers, duties, manner of  
1317 selection and removal, and compensation, if any, of officers and  
1318 board members. In the absence of such a provision, the board of  
1319 administration shall be composed of five members, except in the  
1320 case of cooperatives having five or fewer units, in which case  
1321 in not-for-profit corporations, the board shall consist of not  
1322 fewer than three members. In a residential cooperative  
1323 association of more than 10 units, co-owners of a unit may not  
1324 serve as members of the board of directors at the same time  
1325 unless the co-owners own more than one unit or unless there are



1326 | not enough eligible candidates to fill the vacancies on the  
1327 | board at the time of the vacancy. In the absence of provisions  
1328 | to the contrary, the board of administration shall have a  
1329 | president, a secretary, and a treasurer, who shall perform the  
1330 | duties of those offices customarily performed by officers of  
1331 | corporations. Unless prohibited in the bylaws, the board of  
1332 | administration may appoint other officers and grant them those  
1333 | duties it deems appropriate. Unless otherwise provided in the  
1334 | bylaws, the officers shall serve without compensation and at the  
1335 | pleasure of the board. Unless otherwise provided in the bylaws,  
1336 | the members of the board shall serve without compensation.

1337 |       2. A person who has been suspended or removed by the  
1338 | division under this chapter, or who is delinquent in the payment  
1339 | of any monetary obligation due to the association, is not  
1340 | eligible to be a candidate for board membership and may not be  
1341 | listed on the ballot. A director or officer charged by  
1342 | information or indictment with a felony theft or embezzlement  
1343 | offense involving the association's funds or property is  
1344 | suspended from office. The board shall fill the vacancy  
1345 | according to general law until the end of the period of the  
1346 | suspension or the end of the director's term of office,  
1347 | whichever occurs first. However, if the charges are resolved  
1348 | without a finding of guilt or without acceptance of a plea of  
1349 | guilty or nolo contendere, the director or officer shall be  
1350 | reinstated for any remainder of his or her term of office. A



1351 member who has such criminal charges pending may not be  
1352 appointed or elected to a position as a director or officer. A  
1353 person who has been convicted of any felony in this state or in  
1354 any United States District Court, or who has been convicted of  
1355 any offense in another jurisdiction which would be considered a  
1356 felony if committed in this state, is not eligible for board  
1357 membership unless such felon's civil rights have been restored  
1358 for at least 5 years as of the date such person seeks election  
1359 to the board. The validity of an action by the board is not  
1360 affected if it is later determined that a board member is  
1361 ineligible for board membership due to having been convicted of  
1362 a felony.

1363         3. When a unit owner files a written inquiry by certified  
1364 mail with the board of administration, the board shall respond  
1365 in writing to the unit owner within 30 days of receipt of the  
1366 inquiry. The board's response shall either give a substantive  
1367 response to the inquirer, notify the inquirer that a legal  
1368 opinion has been requested, or notify the inquirer that advice  
1369 has been requested from the division. If the board requests  
1370 advice from the division, the board shall, within 10 days of its  
1371 receipt of the advice, provide in writing a substantive response  
1372 to the inquirer. If a legal opinion is requested, the board  
1373 shall, within 60 days after the receipt of the inquiry, provide  
1374 in writing a substantive response to the inquirer. The failure  
1375 to provide a substantive response to the inquirer as provided



1376 herein precludes the board from recovering attorney's fees and  
1377 costs in any subsequent litigation, administrative proceeding,  
1378 or arbitration arising out of the inquiry. The association may,  
1379 through its board of administration, adopt reasonable rules and  
1380 regulations regarding the frequency and manner of responding to  
1381 the unit owners' inquiries, one of which may be that the  
1382 association is obligated to respond to only one written inquiry  
1383 per unit in any given 30-day period. In such case, any  
1384 additional inquiry or inquiries must be responded to in the  
1385 subsequent 30-day period, or periods, as applicable.

1386 (c) Board of administration meetings.—Members of the board  
1387 of administration may use e-mail as a means of communication but  
1388 may not cast a vote on an association matter via e-mail.

1389 Meetings of the board of administration at which a quorum of the  
1390 members is present shall be open to all unit owners. Any unit  
1391 owner may tape record or videotape meetings of the board of  
1392 administration. The right to attend such meetings includes the  
1393 right to speak at such meetings with reference to all designated  
1394 agenda items. The division shall adopt reasonable rules  
1395 governing the tape recording and videotaping of the meeting. The  
1396 association may adopt reasonable written rules governing the  
1397 frequency, duration, and manner of unit owner statements.  
1398 Adequate notice of all meetings shall be posted in a conspicuous  
1399 place upon the cooperative property at least 48 continuous hours  
1400 preceding the meeting, except in an emergency. Any item not





1401 included on the notice may be taken up on an emergency basis by  
1402 at least a majority plus one of the members of the board. Such  
1403 emergency action shall be noticed and ratified at the next  
1404 regular meeting of the board. Notice of any meeting in which  
1405 regular or special assessments against unit owners are to be  
1406 considered must specifically state that assessments will be  
1407 considered and provide the estimated amount and description of  
1408 the purposes for such assessments. ~~However,~~ Written notice of  
1409 any meeting at which nonemergency special assessments, or at  
1410 which amendment to rules regarding unit use, will be considered  
1411 shall be mailed, delivered, or electronically transmitted to the  
1412 unit owners and posted conspicuously on the cooperative property  
1413 not less than 14 days before the meeting. Evidence of compliance  
1414 with this 14-day notice shall be made by an affidavit executed  
1415 by the person providing the notice and filed among the official  
1416 records of the association. Upon notice to the unit owners, the  
1417 board shall by duly adopted rule designate a specific location  
1418 on the cooperative property upon which all notices of board  
1419 meetings shall be posted. In lieu of or in addition to the  
1420 physical posting of notice of any meeting of the board of  
1421 administration on the cooperative property, the association may,  
1422 by reasonable rule, adopt a procedure for conspicuously posting  
1423 and repeatedly broadcasting the notice and the agenda on a  
1424 closed-circuit cable television system serving the cooperative  
1425 association. However, if broadcast notice is used in lieu of a



1426 notice posted physically on the cooperative property, the notice  
1427 and agenda must be broadcast at least four times every broadcast  
1428 hour of each day that a posted notice is otherwise required  
1429 under this section. When broadcast notice is provided, the  
1430 notice and agenda must be broadcast in a manner and for a  
1431 sufficient continuous length of time so as to allow an average  
1432 reader to observe the notice and read and comprehend the entire  
1433 content of the notice and the agenda. In addition to any of the  
1434 authorized means of providing notice of a meeting of the board,  
1435 the association may, by rule, adopt a procedure for  
1436 conspicuously posting the meeting notice and the agenda on a  
1437 website serving the cooperative association for at least the  
1438 minimum period of time for which a notice of a meeting is also  
1439 required to be physically posted on the cooperative property.  
1440 Any rule adopted shall, in addition to other matters, include a  
1441 requirement that the association send an electronic notice in  
1442 the same manner as required for a notice for a meeting of the  
1443 members, which must include a hypertext link to the website  
1444 where the notice is posted, to unit owners whose e-mail  
1445 addresses are included in the association's official records.  
1446 ~~Notice of any meeting in which regular assessments against unit~~  
1447 ~~owners are to be considered for any reason shall specifically~~  
1448 ~~contain a statement that assessments will be considered and the~~  
1449 ~~nature of any such assessments.~~ Meetings of a committee to take  
1450 final action on behalf of the board or to make recommendations



1451 to the board regarding the association budget are subject to the  
1452 provisions of this paragraph. Meetings of a committee that does  
1453 not take final action on behalf of the board or make  
1454 recommendations to the board regarding the association budget  
1455 are subject to the provisions of this section, unless those  
1456 meetings are exempted from this section by the bylaws of the  
1457 association. Notwithstanding any other law to the contrary, the  
1458 requirement that board meetings and committee meetings be open  
1459 to the unit owners does not apply to board or committee meetings  
1460 held for the purpose of discussing personnel matters or meetings  
1461 between the board or a committee and the association's attorney,  
1462 with respect to proposed or pending litigation, if the meeting  
1463 is held for the purpose of seeking or rendering legal advice.

1464 (m) Director or officer delinquencies.—A director or  
1465 officer more than 90 days delinquent in the payment of any  
1466 monetary obligation due the association shall be deemed to have  
1467 abandoned the office, creating a vacancy in the office to be  
1468 filled according to law.

1469 Section 11. Paragraph (b) of subsection (1) of section  
1470 719.107, Florida Statutes, is amended to read:

1471 719.107 Common expenses; assessment.—

1472 (1)

1473 (b) If so provided in the bylaws, the cost of  
1474 communications services as defined in chapter 202, information  
1475 services, or Internet services ~~a master antenna television~~



1476 ~~system or duly franchised cable television service~~ obtained  
1477 pursuant to a bulk contract shall be deemed a common expense,  
1478 and if not obtained pursuant to a bulk contract, such cost shall  
1479 be considered common expense if it is designated as such in a  
1480 written contract between the board of administration and the  
1481 company providing the communications services as defined in  
1482 chapter 202, information services, or Internet services ~~master~~  
1483 ~~television antenna system or the cable television service~~. The  
1484 contract shall be for a term of not less than 2 years.

1485 1. Any contract made by the board after April 2, 1992, for  
1486 a community antenna system or duly franchised cable television  
1487 service, communications services as defined in chapter 202,  
1488 information services, or Internet services may be canceled by a  
1489 majority of the voting interests present at the next regular or  
1490 special meeting of the association. Any member may make a motion  
1491 to cancel the contract, but if no motion is made or if such  
1492 motion fails to obtain the required majority at the next regular  
1493 or special meeting, whichever is sooner, following the making of  
1494 the contract, then such contract shall be deemed ratified for  
1495 the term therein expressed.

1496 2. Any such contract shall provide, and shall be deemed to  
1497 provide if not expressly set forth, that any hearing impaired or  
1498 legally blind unit owner who does not occupy the unit with a  
1499 nonhearing impaired or sighted person may discontinue the  
1500 service without incurring disconnect fees, penalties, or



1501 subsequent service charges, and as to such units, the owners  
1502 shall not be required to pay any common expenses charge related  
1503 to such service. If less than all members of an association  
1504 share the expenses of cable television, the expense shall be  
1505 shared equally by all participating unit owners. The association  
1506 may use the provisions of s. 719.108 to enforce payment of the  
1507 shares of such costs by the unit owners receiving cable  
1508 television.

1509 Section 12. Paragraphs (a) and (c) of subsection (2) and  
1510 subsection (7) of section 720.303, Florida Statutes, are amended  
1511 to read:

1512 720.303 Association powers and duties; meetings of board;  
1513 official records; budgets; financial reporting; association  
1514 funds; recalls.—

1515 (2) BOARD MEETINGS.—

1516 (a) Members of the board of administration may use e-mail  
1517 as a means of communication, but may not cast a vote on an  
1518 association matter via e-mail. A meeting of the board of  
1519 directors of an association occurs whenever a quorum of the  
1520 board gathers to conduct association business. Meetings of the  
1521 board must be open to all members, except for meetings between  
1522 the board and its attorney with respect to proposed or pending  
1523 litigation where the contents of the discussion would otherwise  
1524 be governed by the attorney-client privilege. A meeting of the  
1525 board must be held at a location that is accessible to a



1526 | physically handicapped person if requested by a physically  
1527 | handicapped person who has a right to attend the meeting. The  
1528 | provisions of this subsection shall also apply to the meetings  
1529 | of any committee or other similar body when a final decision  
1530 | will be made regarding the expenditure of association funds and  
1531 | to meetings of any body vested with the power to approve or  
1532 | disapprove architectural decisions with respect to a specific  
1533 | parcel of residential property owned by a member of the  
1534 | community.

1535 |         (c) The bylaws shall provide the following for giving  
1536 | notice to parcel owners and members of all board meetings and,  
1537 | if they do not do so, shall be deemed to include ~~provide~~ the  
1538 | following:

1539 |             1. Notices of all board meetings must be posted in a  
1540 | conspicuous place in the community at least 48 hours in advance  
1541 | of a meeting, except in an emergency. In the alternative, if  
1542 | notice is not posted in a conspicuous place in the community,  
1543 | notice of each board meeting must be mailed or delivered to each  
1544 | member at least 7 days before the meeting, except in an  
1545 | emergency. Notwithstanding this general notice requirement, for  
1546 | communities with more than 100 members, the association bylaws  
1547 | may provide for a reasonable alternative to posting or mailing  
1548 | of notice for each board meeting, including publication of  
1549 | notice, provision of a schedule of board meetings, or the  
1550 | conspicuous posting and repeated broadcasting of the notice on a



1551 closed-circuit cable television system serving the homeowners'  
1552 association. However, if broadcast notice is used in lieu of a  
1553 notice posted physically in the community, the notice must be  
1554 broadcast at least four times every broadcast hour of each day  
1555 that a posted notice is otherwise required. When broadcast  
1556 notice is provided, the notice and agenda must be broadcast in a  
1557 manner and for a sufficient continuous length of time so as to  
1558 allow an average reader to observe the notice and read and  
1559 comprehend the entire content of the notice and the agenda. In  
1560 addition to any of the authorized means of providing notice of a  
1561 meeting of the board, the association may, by rule, adopt a  
1562 procedure for conspicuously posting the meeting notice and the  
1563 agenda on a website serving the association for at least the  
1564 minimum period of time for which a notice of a meeting is also  
1565 required to be physically posted on the association property.  
1566 Any rule adopted shall, in addition to other matters, include a  
1567 requirement that the association send an electronic notice in  
1568 the same manner as required for a notice for a meeting of the  
1569 members, which must include a hypertext link to the website  
1570 where the notice is posted, to members who have provided an e-  
1571 mail address to the association for the purpose of receiving  
1572 notice by electronic transmission. The association may provide  
1573 notice by electronic transmission in a manner authorized by law  
1574 for meetings of the board of directors, committee meetings  
1575 requiring notice under this section, and annual and special



1576 meetings of the members to any member who has provided a  
1577 facsimile number or e-mail address to the association to be used  
1578 for such purposes; however, a member must consent in writing to  
1579 receiving notice by electronic transmission.

1580         2. An assessment may not be levied at a board meeting  
1581 unless the notice of the meeting includes a statement that  
1582 assessments will be considered and the nature of the  
1583 assessments. Written notice of any meeting at which special  
1584 assessments will be considered or at which amendments to rules  
1585 regarding parcel use will be considered must be mailed,  
1586 delivered, or electronically transmitted to the members and  
1587 parcel owners and posted conspicuously on the property or  
1588 broadcast on closed-circuit cable television not less than 14  
1589 days before the meeting.

1590         3. Directors may not vote by proxy or by secret ballot at  
1591 board meetings, except that secret ballots may be used in the  
1592 election of officers. This subsection also applies to the  
1593 meetings of any committee or other similar body, when a final  
1594 decision will be made regarding the expenditure of association  
1595 funds, and to any body vested with the power to approve or  
1596 disapprove architectural decisions with respect to a specific  
1597 parcel of residential property owned by a member of the  
1598 community.

1599         (7) FINANCIAL REPORTING.—Within 90 days after the end of  
1600 the fiscal year, or annually on the date provided in the bylaws,





1601 the association shall prepare and complete, or contract with a  
1602 third party for the preparation and completion of, a financial  
1603 report for the preceding fiscal year. Within 21 days after the  
1604 final financial report is completed by the association or  
1605 received from the third party, but not later than 120 days after  
1606 the end of the fiscal year or other date as provided in the  
1607 bylaws, the association shall, within the time limits set forth  
1608 in subsection (5), provide each member with a copy of the annual  
1609 financial report or a written notice that a copy of the  
1610 financial report is available upon request at no charge to the  
1611 member. Financial reports shall be prepared as follows:

1612 (a) An association that meets the criteria of this  
1613 paragraph shall prepare or cause to be prepared a complete set  
1614 of financial statements in accordance with generally accepted  
1615 accounting principles as adopted by the Board of Accountancy.  
1616 The financial statements shall be based upon the association's  
1617 total annual revenues, as follows:

1618 1. An association with total annual revenues of \$150,000  
1619 or more, but less than \$300,000, shall prepare compiled  
1620 financial statements.

1621 2. An association with total annual revenues of at least  
1622 \$300,000, but less than \$500,000, shall prepare reviewed  
1623 financial statements.

1624 3. An association with total annual revenues of \$500,000  
1625 or more shall prepare audited financial statements.



1626 (b)1. An association with total annual revenues of less  
1627 than \$150,000 shall prepare a report of cash receipts and  
1628 expenditures.

1629 ~~2. An association in a community of fewer than 50 parcels,~~  
1630 ~~regardless of the association's annual revenues, may prepare a~~  
1631 ~~report of cash receipts and expenditures in lieu of financial~~  
1632 ~~statements required by paragraph (a) unless the governing~~  
1633 ~~documents provide otherwise.~~

1634 2.3. A report of cash receipts and disbursement must  
1635 disclose the amount of receipts by accounts and receipt  
1636 classifications and the amount of expenses by accounts and  
1637 expense classifications, including, but not limited to, the  
1638 following, as applicable: costs for security, professional, and  
1639 management fees and expenses; taxes; costs for recreation  
1640 facilities; expenses for refuse collection and utility services;  
1641 expenses for lawn care; costs for building maintenance and  
1642 repair; insurance costs; administration and salary expenses; and  
1643 reserves if maintained by the association.

1644 (c) If 20 percent of the parcel owners petition the board  
1645 for a level of financial reporting higher than that required by  
1646 this section, the association shall duly notice and hold a  
1647 meeting of members within 30 days of receipt of the petition for  
1648 the purpose of voting on raising the level of reporting for that  
1649 fiscal year. Upon approval of a majority of the total voting  
1650 interests of the parcel owners, the association shall prepare or



1651 cause to be prepared, shall amend the budget or adopt a special  
1652 assessment to pay for the financial report regardless of any  
1653 provision to the contrary in the governing documents, and shall  
1654 provide within 90 days of the meeting or the end of the fiscal  
1655 year, whichever occurs later:

1656 1. Compiled, reviewed, or audited financial statements, if  
1657 the association is otherwise required to prepare a report of  
1658 cash receipts and expenditures;

1659 2. Reviewed or audited financial statements, if the  
1660 association is otherwise required to prepare compiled financial  
1661 statements; or

1662 3. Audited financial statements if the association is  
1663 otherwise required to prepare reviewed financial statements.

1664 (d) If approved by a majority of the voting interests  
1665 present at a properly called meeting of the association, an  
1666 association may prepare or cause to be prepared:

1667 1. A report of cash receipts and expenditures in lieu of a  
1668 compiled, reviewed, or audited financial statement;

1669 2. A report of cash receipts and expenditures or a  
1670 compiled financial statement in lieu of a reviewed or audited  
1671 financial statement; or

1672 3. A report of cash receipts and expenditures, a compiled  
1673 financial statement, or a reviewed financial statement in lieu  
1674 of an audited financial statement.

1675 Section 13. Paragraph (a) of subsection (9) of section



1676 720.306, Florida Statutes, is amended to read:

1677 720.306 Meetings of members; voting and election  
1678 procedures; amendments.—

1679 (9) ELECTIONS AND BOARD VACANCIES.—

1680 (a) Elections of directors must be conducted in accordance  
1681 with the procedures set forth in the governing documents of the  
1682 association. Except as provided in paragraph (b), all members of  
1683 the association are eligible to serve on the board of directors,  
1684 and a member may nominate himself or herself as a candidate for  
1685 the board at a meeting where the election is to be held;  
1686 provided, however, that if the election process allows  
1687 candidates to be nominated in advance of the meeting, the  
1688 association is not required to allow nominations at the meeting.  
1689 An election is not required unless more candidates are nominated  
1690 than vacancies exist. If an election is not required because  
1691 there are either an equal number or fewer qualified candidates  
1692 than vacancies exist, and if nominations from the floor are not  
1693 required pursuant to this section or the bylaws, write-in  
1694 nominations are not permitted and such candidates shall commence  
1695 service on the board of directors, regardless of whether a  
1696 quorum is attained at the annual meeting. Except as otherwise  
1697 provided in the governing documents, boards of directors must be  
1698 elected by a plurality of the votes cast by eligible voters. Any  
1699 challenge to the election process must be commenced within 60  
1700 days after the election results are announced.



1701 Section 14. Paragraph (b) of subsection (3) of section  
1702 720.3085, Florida Statutes, is amended to read:

1703 720.3085 Payment for assessments; lien claims.—

1704 (3) Assessments and installments on assessments that are  
1705 not paid when due bear interest from the due date until paid at  
1706 the rate provided in the declaration of covenants or the bylaws  
1707 of the association, which rate may not exceed the rate allowed  
1708 by law. If no rate is provided in the declaration or bylaws,  
1709 interest accrues at the rate of 18 percent per year.

1710 (b) Any payment received by an association and accepted  
1711 shall be applied first to any interest accrued, then to any  
1712 administrative late fee, then to any costs and reasonable  
1713 attorney fees incurred in collection, and then to the delinquent  
1714 assessment. This paragraph applies notwithstanding any  
1715 restrictive endorsement, designation, or instruction placed on  
1716 or accompanying a payment. A late fee is not subject to the  
1717 provisions of chapter 687 and is not a fine. The foregoing is  
1718 applicable notwithstanding s. 673.3111, any purported accord and  
1719 satisfaction, or any restrictive endorsement, designation, or  
1720 instruction placed on or accompanying a payment. The preceding  
1721 sentence is intended to clarify existing law.

1722 Section 15. This act shall take effect July 1, 2017.