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LEGISLATIVE ACTION

Senate

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House

Floor: 1/AD/2R

05/02/2017 05:21 PM

Senator Passidomo moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

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

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

(1) The board of a condominium or cooperative association
that operates a building of three stories or more that has not
installed a sprinkler system in the common areas of the building



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12 shall mark the building with a sign or symbol approved by the
13 State Fire Marshal in a manner sufficient to warn persons
14 conducting fire control and other emergency operations of the
15 lack of a sprinkler system in the common areas.

16 (2) The State Fire Marshal shall:

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

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

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

22 2. The time within which the condominium or cooperative
23 buildings without sprinkler systems shall be marked as required
24 by this section.

25 3. The location on each condominium or cooperative building
26 without a sprinkler system where such sign or symbol must be
27 posted.

28 (3) The State Fire Marshal, and local fire officials in
29 accordance with s. 633.118, shall enforce this section. An
30 association that fails to comply with the requirements of this
31 section is subject to penalties as provided in s. 633.228.

32 Section 2. Paragraphs (a) and (d) of subsection (1),
33 subsections (3), (9), (12), and (13) of section 718.111, Florida
34 Statutes, are amended, and subsection (15) is added to that
35 section, to read:

36 718.111 The association.—

37 (1) CORPORATE ENTITY.—

38 (a) The operation of the condominium shall be by the
39 association, which must be a Florida corporation for profit or a
40 Florida corporation not for profit. However, any association



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41 which was in existence on January 1, 1977, need not be
42 incorporated. The owners of units shall be shareholders or
43 members of the association. The officers and directors of the
44 association have a fiduciary relationship to the unit owners. It
45 is the intent of the Legislature that nothing in this paragraph
46 shall be construed as providing for or removing a requirement of
47 a fiduciary relationship between any manager employed by the
48 association and the unit owners. An officer, director, or
49 manager may not solicit, offer to accept, or accept any thing or
50 service of value or kickback for which consideration has not
51 been provided for his or her own benefit or that of his or her
52 immediate family, from any person providing or proposing to
53 provide goods or services to the association. Any such officer,
54 director, or manager who knowingly so solicits, offers to
55 accept, or accepts any thing or service of value or kickback is
56 subject to a civil penalty pursuant to s. 718.501(1)(d) and, if
57 applicable, a criminal penalty as provided in paragraph (d).

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

62 (d) As required by s. 617.0830, an officer, director, or
63 agent shall discharge his or her duties in good faith, with the
64 care an ordinarily prudent person in a like position would
65 exercise under similar circumstances, and in a manner he or she
66 reasonably believes to be in the interests of the association.
67 An officer, director, or agent shall be liable for monetary
68 damages as provided in s. 617.0834 if such officer, director, or
69 agent breached or failed to perform his or her duties and the



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70 breach of, or failure to perform, his or her duties constitutes
71 a violation of criminal law as provided in s. 617.0834;
72 constitutes a transaction from which the officer or director
73 derived an improper personal benefit, either directly or
74 indirectly; or constitutes recklessness or an act or omission
75 that was in bad faith, with malicious purpose, or in a manner
76 exhibiting wanton and willful disregard of human rights, safety,
77 or property. Forgery of a ballot envelope or voting certificate
78 used in a condominium association election is punishable as
79 provided in s. 831.01, the theft or embezzlement of funds of a
80 condominium association is punishable as provided in s. 812.014,
81 and the destruction of or the refusal to allow inspection or
82 copying of an official record of a condominium association which
83 is accessible to unit owners within the timeframe required by
84 general law in furtherance of any crime is punishable as
85 tampering with physical evidence as provided in s. 918.13 or as
86 obstruction of justice as provided in chapter 843. An officer or
87 director charged by information or indictment with a crime
88 referenced in this paragraph must be removed from office, and
89 the vacancy shall be filled as provided in s. 718.112(2)(d)2.
90 until the end of the officer's or director's period of
91 suspension or the end of his or her term of office, whichever
92 occurs first. If a criminal charge is pending against the
93 officer or director, he or she may not be appointed or elected
94 to a position as an officer or a director of any association and
95 may not have access to the official records of any association,
96 except pursuant to a court order. However, if the charges are
97 resolved without a finding of guilt, the officer or director
98 must be reinstated for the remainder of his or her term of



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99 office, if any.

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

102 (a) The association may contract, sue, or be sued with
103 respect to the exercise or nonexercise of its powers. For these
104 purposes, the powers of the association include, but are not
105 limited to, the maintenance, management, and operation of the
106 condominium property. After control of the association is
107 obtained by unit owners other than the developer, the
108 association may institute, maintain, settle, or appeal actions
109 or hearings in its name on behalf of all unit owners concerning
110 matters of common interest to most or all unit owners,
111 including, but not limited to, the common elements; the roof and
112 structural components of a building or other improvements;
113 mechanical, electrical, and plumbing elements serving an
114 improvement or a building; representations of the developer
115 pertaining to any existing or proposed commonly used facilities;
116 and protesting ad valorem taxes on commonly used facilities and
117 on units; and may defend actions in eminent domain or bring
118 inverse condemnation actions. If the association has the
119 authority to maintain a class action, the association may be
120 joined in an action as representative of that class with
121 reference to litigation and disputes involving the matters for
122 which the association could bring a class action. Nothing herein
123 limits any statutory or common-law right of any individual unit
124 owner or class of unit owners to bring any action without
125 participation by the association which may otherwise be
126 available.

127 (b) An association may not hire an attorney who represents



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128 the management company of the association.

129 (9) PURCHASE OF UNITS.—The association has the power,
130 unless prohibited by the declaration, articles of incorporation,
131 or bylaws of the association, to purchase units in the
132 condominium and to acquire and hold, lease, mortgage, and convey
133 them. There shall be no limitation on the association's right to
134 purchase a unit at a foreclosure sale resulting from the
135 association's foreclosure of its lien for unpaid assessments, or
136 to take title by deed in lieu of foreclosure. However, except
137 for a timeshare condominium, a board member, manager, or
138 management company may not purchase a unit at a foreclosure sale
139 resulting from the association's foreclosure of its lien for
140 unpaid assessments or take title by deed in lieu of foreclosure.

141 (12) OFFICIAL RECORDS.—

142 (a) From the inception of the association, the association
143 shall maintain each of the following items, if applicable, which
144 constitutes the official records of the association:

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

147 2. A photocopy of the recorded declaration of condominium
148 of each condominium operated by the association and each
149 amendment to each declaration.

150 3. A photocopy of the recorded bylaws of the association
151 and each amendment to the bylaws.

152 4. A certified copy of the articles of incorporation of the
153 association, or other documents creating the association, and
154 each amendment thereto.

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

156 6. A book or books that contain the minutes of all meetings



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157 of the association, the board of administration, and the unit
158 owners, which minutes must be retained for at least 7 years.

159 7. A current roster of all unit owners and their mailing
160 addresses, unit identifications, and voting certifications, and,
161 if known, telephone numbers. The association shall also maintain
162 the electronic mailing addresses and facsimile numbers of unit
163 owners consenting to receive notice by electronic transmission.
164 The electronic mailing addresses and facsimile numbers are not
165 accessible to unit owners if consent to receive notice by
166 electronic transmission is not provided in accordance with sub-
167 subparagraph (c)3.e. subparagraph (e)5. However, the association
168 is not liable for an inadvertent disclosure of the electronic
169 mail address or facsimile number for receiving electronic
170 transmission of notices.

171 8. All current insurance policies of the association and
172 condominiums operated by the association.

173 9. A current copy of any management agreement, lease, or
174 other contract to which the association is a party or under
175 which the association or the unit owners have an obligation or
176 responsibility.

177 10. Bills of sale or transfer for all property owned by the
178 association.

179 11. Accounting records for the association and separate
180 accounting records for each condominium that the association
181 operates. All accounting records must be maintained for at least
182 7 years. Any person who knowingly or intentionally defaces or
183 destroys such records, or who knowingly or intentionally fails
184 to create or maintain such records, with the intent of causing
185 harm to the association or one or more of its members, is



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186 personally subject to a civil penalty pursuant to s.
187 718.501(1)(d). The accounting records must include, but are not
188 limited to:
189 a. Accurate, itemized, and detailed records of all receipts
190 and expenditures.
191 b. A current account and a monthly, bimonthly, or quarterly
192 statement of the account for each unit designating the name of
193 the unit owner, the due date and amount of each assessment, the
194 amount paid on the account, and the balance due.
195 c. All audits, reviews, accounting statements, and
196 financial reports of the association or condominium.
197 d. All contracts for work to be performed. Bids for work to
198 be performed are also considered official records and must be
199 maintained by the association.
200 12. Ballots, sign-in sheets, voting proxies, and all other
201 papers and electronic records relating to voting by unit owners,
202 which must be maintained for 1 year from the date of the
203 election, vote, or meeting to which the document relates,
204 notwithstanding paragraph (b).
205 13. All rental records if the association is acting as
206 agent for the rental of condominium units.
207 14. A copy of the current question and answer sheet as
208 described in s. 718.504.
209 15. All other written records of the association not
210 specifically included in the foregoing which are related to the
211 operation of the association.
212 16. A copy of the inspection report as described in s.
213 718.301(4)(p).
214 17. Bids for materials, equipment, or services.



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215 (b) The official records of the association must be
216 maintained within the state for at least 7 years. The records of
217 the association shall be made available to a unit owner within
218 45 miles of the condominium property or within the county in
219 which the condominium property is located within 10 ~~5~~ working
220 days after receipt of a written request by the board or its
221 designee. However, such distance requirement does not apply to
222 an association governing a timeshare condominium. This paragraph
223 may be complied with by having a copy of the official records of
224 the association available for inspection or copying on the
225 condominium property or association property, or the association
226 may offer the option of making the records available to a unit
227 owner electronically via the Internet or by allowing the records
228 to be viewed in electronic format on a computer screen and
229 printed upon request. The association is not responsible for the
230 use or misuse of the information provided to an association
231 member or his or her authorized representative pursuant to the
232 compliance requirements of this chapter unless the association
233 has an affirmative duty not to disclose such information
234 pursuant to this chapter.

235 (c)1. The official records of the association are open to
236 inspection by any association member or the authorized
237 representative of such member at all reasonable times. The right
238 to inspect the records includes the right to make or obtain
239 copies, at the reasonable expense, if any, of the member or
240 authorized representative of such member. A renter of a unit has
241 a right to inspect and copy the association's bylaws and rules.
242 The association may adopt reasonable rules regarding the
243 frequency, time, location, notice, and manner of record



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244 inspections and copying. The failure of an association to
245 provide the records within 10 working days after receipt of a
246 written request creates a rebuttable presumption that the
247 association willfully failed to comply with this paragraph. A
248 unit owner who is denied access to official records is entitled
249 to the actual damages or minimum damages for the association's
250 willful failure to comply. Minimum damages are \$50 per calendar
251 day for up to 10 days, beginning on the 11th working day after
252 receipt of the written request. The failure to permit inspection
253 entitles any person prevailing in an enforcement action to
254 recover reasonable attorney fees from the person in control of
255 the records who, directly or indirectly, knowingly denied access
256 to the records.

257 2. Any person who knowingly or intentionally defaces or
258 destroys accounting records that are required by this chapter to
259 be maintained during the period for which such records are
260 required to be maintained, or who knowingly or intentionally
261 fails to create or maintain accounting records that are required
262 to be created or maintained, with the intent of causing harm to
263 the association or one or more of its members, is personally
264 subject to a civil penalty pursuant to s. 718.501(1)(d).

265 3. The association shall maintain an adequate number of
266 copies of the declaration, articles of incorporation, bylaws,
267 and rules, and all amendments to each of the foregoing, as well
268 as the question and answer sheet as described in s. 718.504 and
269 year-end financial information required under this section, on
270 the condominium property to ensure their availability to unit
271 owners and prospective purchasers, and may charge its actual
272 costs for preparing and furnishing these documents to those



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273 requesting the documents. An association shall allow a member or
274 his or her authorized representative to use a portable device,
275 including a smartphone, tablet, portable scanner, or any other
276 technology capable of scanning or taking photographs, to make an
277 electronic copy of the official records in lieu of the
278 association's providing the member or his or her authorized
279 representative with a copy of such records. The association may
280 not charge a member or his or her authorized representative for
281 the use of a portable device. Notwithstanding this paragraph,
282 the following records are not accessible to unit owners:

283 ~~a.1.~~ Any record protected by the lawyer-client privilege as
284 described in s. 90.502 and any record protected by the work-
285 product privilege, including a record prepared by an association
286 attorney or prepared at the attorney's express direction, which
287 reflects a mental impression, conclusion, litigation strategy,
288 or legal theory of the attorney or the association, and which
289 was prepared exclusively for civil or criminal litigation or for
290 adversarial administrative proceedings, or which was prepared in
291 anticipation of such litigation or proceedings until the
292 conclusion of the litigation or proceedings.

293 ~~b.2.~~ Information obtained by an association in connection
294 with the approval of the lease, sale, or other transfer of a
295 unit.

296 ~~c.3.~~ Personnel records of association or management company
297 employees, including, but not limited to, disciplinary, payroll,
298 health, and insurance records. For purposes of this sub-
299 subparagraph ~~subparagraph~~, the term "personnel records" does not
300 include written employment agreements with an association
301 employee or management company, or budgetary or financial



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302 records that indicate the compensation paid to an association
303 employee.

304 ~~d.4.~~ Medical records of unit owners.

305 ~~e.5.~~ Social security numbers, driver license numbers,
306 credit card numbers, e-mail addresses, telephone numbers,
307 facsimile numbers, emergency contact information, addresses of a
308 unit owner other than as provided to fulfill the association's
309 notice requirements, and other personal identifying information
310 of any person, excluding the person's name, unit designation,
311 mailing address, property address, and any address, e-mail
312 address, or facsimile number provided to the association to
313 fulfill the association's notice requirements. Notwithstanding
314 the restrictions in this sub-subparagraph ~~subparagraph~~, an
315 association may print and distribute to parcel owners a
316 directory containing the name, parcel address, and all telephone
317 numbers of each parcel owner. However, an owner may exclude his
318 or her telephone numbers from the directory by so requesting in
319 writing to the association. An owner may consent in writing to
320 the disclosure of other contact information described in this
321 sub-subparagraph ~~subparagraph~~. The association is not liable for
322 the inadvertent disclosure of information that is protected
323 under this sub-subparagraph ~~subparagraph~~ if the information is
324 included in an official record of the association and is
325 voluntarily provided by an owner and not requested by the
326 association.

327 ~~f.6.~~ Electronic security measures that are used by the
328 association to safeguard data, including passwords.

329 ~~g.7.~~ The software and operating system used by the
330 association which allow the manipulation of data, even if the



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331 owner owns a copy of the same software used by the association.
332 The data is part of the official records of the association.

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

335 (e)1. The association or its authorized agent is not
336 required to provide a prospective purchaser or lienholder with
337 information about the condominium or the association other than
338 information or documents required by this chapter to be made
339 available or disclosed. The association or its authorized agent
340 may charge a reasonable fee to the prospective purchaser,
341 lienholder, or the current unit owner for providing good faith
342 responses to requests for information by or on behalf of a
343 prospective purchaser or lienholder, other than that required by
344 law, if the fee does not exceed \$150 plus the reasonable cost of
345 photocopying and any attorney's fees incurred by the association
346 in connection with the response.

347 2. An association and its authorized agent are not liable
348 for providing such information in good faith pursuant to a
349 written request if the person providing the information includes
350 a written statement in substantially the following form: "The
351 responses herein are made in good faith and to the best of my
352 ability as to their accuracy."

353 (f) An outgoing board or committee member must relinquish
354 all official records and property of the association in his or
355 her possession or under his or her control to the incoming board
356 within 5 days after the election. The division shall impose a
357 civil penalty as set forth in s. 718.501(1)(d)6. against an
358 outgoing board or committee member who willfully and knowingly
359 fails to relinquish such records and property.



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

364 a. The association's website must be:

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

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

373 b. The association's website must be accessible through the
374 Internet and must contain a subpage, web portal, or other
375 protected electronic location that is inaccessible to the
376 general public and accessible only to unit owners and employees
377 of the association.

378 c. Upon a unit owner's written request, the association
379 must provide the unit owner with a username and password and
380 access to the protected sections of the association's website
381 which contain any notices, records, or documents that must be
382 electronically provided.

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

385 a. The recorded declaration of condominium of each
386 condominium operated by the association and each amendment to
387 each declaration.

388 b. The recorded bylaws of the association and each



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389 amendment to the bylaws.
390 c. The articles of incorporation of the association, or
391 other documents creating the association, and each amendment
392 thereto. The copy posted pursuant to this sub-subparagraph must
393 be a copy of the articles of incorporation filed with the
394 Department of State.
395 d. The rules of the association.
396 e. Any management agreement, lease, or other contract to
397 which the association is a party or under which the association
398 or the unit owners have an obligation or responsibility.
399 Summaries of bids for materials, equipment, or services must be
400 maintained on the website for 1 year.
401 f. The annual budget required by s. 718.112(2)(f) and any
402 proposed budget to be considered at the annual meeting.
403 g. The financial report required by subsection (13) and any
404 proposed financial report to be considered at a meeting.
405 h. The certification of each director required by s.
406 718.112(2)(d)4.b.
407 i. All contracts or transactions between the association
408 and any director, officer, corporation, firm, or association
409 that is not an affiliated condominium association or any other
410 entity in which an association director is also a director or
411 officer and is financially interested.
412 j. Any contract or document regarding a conflict of
413 interest or possible conflict of interest as provided in ss.
414 468.436(2) and 718.3026(3).
415 k. The notice of any unit owner meeting and the agenda for
416 the meeting, as required by s. 718.112(2)(d)3., no later than 14
417 days before the meeting. The notice must be posted in plain view



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418 on the front page of the website, or on a separate subpage of
419 the website labeled "Notices" which is conspicuously visible and
420 linked from the front page. The association must also post on
421 its website any document to be considered and voted on by the
422 owners during the meeting or any document listed on the agenda
423 at least 7 days before the meeting at which the document or the
424 information within the document will be considered.

425 1. Notice of any board meeting, the agenda, and any other
426 document required for the meeting as required by s.
427 718.112(2)(c), which must be posted no later than the date
428 required for notice pursuant to s. 718.112(2)(c).

429 3. The association shall ensure that the information and
430 records described in paragraph (c) which are not permitted to be
431 accessible to unit owners are not posted on the association's
432 website. If protected information or information restricted from
433 being accessible to unit owners is included in documents that
434 are required to be posted on the association's website, the
435 association shall ensure the information is redacted before
436 posting the documents online.

437 (13) FINANCIAL REPORTING.—Within 90 days after the end of
438 the fiscal year, or annually on a date provided in the bylaws,
439 the association shall prepare and complete, or contract for the
440 preparation and completion of, a financial report for the
441 preceding fiscal year. Within 21 days after the final financial
442 report is completed by the association or received from the
443 third party, but not later than 120 days after the end of the
444 fiscal year or other date as provided in the bylaws, the
445 association shall mail to each unit owner at the address last
446 furnished to the association by the unit owner, or hand deliver



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447 to each unit owner, a copy of the most recent financial report
448 or a notice that a copy of the most recent financial report will
449 be mailed or hand delivered to the unit owner, without charge,
450 within 5 business days after ~~upon~~ receipt of a written request
451 from the unit owner. The division shall adopt rules setting
452 forth uniform accounting principles and standards to be used by
453 all associations and addressing the financial reporting
454 requirements for multicondominium associations. The rules must
455 include, but not be limited to, standards for presenting a
456 summary of association reserves, including a good faith estimate
457 disclosing the annual amount of reserve funds that would be
458 necessary for the association to fully fund reserves for each
459 reserve item based on the straight-line accounting method. This
460 disclosure is not applicable to reserves funded via the pooling
461 method. In adopting such rules, the division shall consider the
462 number of members and annual revenues of an association.
463 Financial reports shall be prepared as follows:

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

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

472 2. An association with total annual revenues of at least
473 \$300,000, but less than \$500,000, shall prepare reviewed
474 financial statements.

475 3. An association with total annual revenues of \$500,000 or



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476 more shall prepare audited financial statements.

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

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

484 2.3. A report of cash receipts and disbursements must
485 disclose the amount of receipts by accounts and receipt
486 classifications and the amount of expenses by accounts and
487 expense classifications, including, but not limited to, the
488 following, as applicable: costs for security, professional and
489 management fees and expenses, taxes, costs for recreation
490 facilities, expenses for refuse collection and utility services,
491 expenses for lawn care, costs for building maintenance and
492 repair, insurance costs, administration and salary expenses, and
493 reserves accumulated and expended for capital expenditures,
494 deferred maintenance, and any other category for which the
495 association maintains reserves.

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

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

501 2. Reviewed or audited financial statements, if the
502 association is required to prepare compiled financial
503 statements; or

504 3. Audited financial statements if the association is



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505 required to prepare reviewed financial statements.

506 (d) If approved by a majority of the voting interests
507 present at a properly called meeting of the association, an
508 association may prepare:

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

511 2. A report of cash receipts and expenditures or a compiled
512 financial statement in lieu of a reviewed or audited financial
513 statement; or

514 3. A report of cash receipts and expenditures, a compiled
515 financial statement, or a reviewed financial statement in lieu
516 of an audited financial statement.

517
518 Such meeting and approval must occur before the end of the
519 fiscal year and is effective only for the fiscal year in which
520 the vote is taken, except that the approval may also be
521 effective for the following fiscal year. If the developer has
522 not turned over control of the association, all unit owners,
523 including the developer, may vote on issues related to the
524 preparation of the association's financial reports, from the
525 date of incorporation of the association through the end of the
526 second fiscal year after the fiscal year in which the
527 certificate of a surveyor and mapper is recorded pursuant to s.
528 718.104(4)(e) or an instrument that transfers title to a unit in
529 the condominium which is not accompanied by a recorded
530 assignment of developer rights in favor of the grantee of such
531 unit is recorded, whichever occurs first. Thereafter, all unit
532 owners except the developer may vote on such issues until
533 control is turned over to the association by the developer. Any



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534 audit or review prepared under this section shall be paid for by
535 the developer if done before turnover of control of the
536 association. ~~An association may not waive the financial~~
537 ~~reporting requirements of this section for more than 3~~
538 ~~consecutive years.~~

539 (e) A unit owner may provide written notice to the division
540 of the association's failure to mail or hand deliver to him or
541 her a copy of the most recent financial report within 5 business
542 days after he or she submitted a written request to the
543 association for a copy of such report. If the division
544 determines that the association failed to mail or hand deliver a
545 copy of the most recent financial report to the unit owner, the
546 division shall provide written notice to the association that
547 the association must mail or hand deliver a copy of the most
548 recent financial report to the unit owner and the division
549 within 5 business days after it receives such notice from the
550 division. An association that fails to comply with the
551 division's request may not waive the financial reporting
552 requirement provided in paragraph (d). A financial report
553 received by the division pursuant to this paragraph shall be
554 maintained, and the division shall provide a copy of such report
555 to an association member upon his or her request.

556 (15) DEBIT CARDS.-

557 (a) An association and its officers, directors, employees,
558 and agents may not use a debit card issued in the name of the
559 association, or billed directly to the association, for the
560 payment of any association expense.

561 (b) Use of a debit card issued in the name of the
562 association, or billed directly to the association, for any



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563 expense that is not a lawful obligation of the association may
564 be prosecuted as credit card fraud pursuant to s. 817.61.

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

567 718.112 Bylaws.—

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

571 (c) *Board of administration meetings.*—Meetings of the board
572 of administration at which a quorum of the members is present
573 are open to all unit owners. Members of the board of
574 administration may use e-mail as a means of communication but
575 may not cast a vote on an association matter via e-mail. A unit
576 owner may tape record or videotape the meetings. The right to
577 attend such meetings includes the right to speak at such
578 meetings with reference to all designated agenda items. The
579 division shall adopt reasonable rules governing the tape
580 recording and videotaping of the meeting. The association may
581 adopt written reasonable rules governing the frequency,
582 duration, and manner of unit owner statements.

583 1. Adequate notice of all board meetings, which must
584 specifically identify all agenda items, must be posted
585 conspicuously on the condominium property at least 48 continuous
586 hours before the meeting except in an emergency. If 20 percent
587 of the voting interests petition the board to address an item of
588 business, the board, within 60 days after receipt of the
589 petition, shall place the item on the agenda at its next regular
590 board meeting or at a special meeting called for that purpose.
591 An item not included on the notice may be taken up on an



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592 emergency basis by a vote of at least a majority plus one of the
593 board members. Such emergency action must be noticed and
594 ratified at the next regular board meeting. Notice of any
595 meeting in which a regular or special assessment against unit
596 owners is to be considered must specifically state that
597 assessments will be considered and provide the estimated amount
598 and a description of the purposes for such assessments. However,
599 Written notice of a meeting at which a nonemergency special
600 assessment or an amendment to rules regarding unit use will be
601 considered must be mailed, delivered, or electronically
602 transmitted to the unit owners and posted conspicuously on the
603 condominium property at least 14 days before the meeting.
604 Evidence of compliance with this 14-day notice requirement must
605 be made by an affidavit executed by the person providing the
606 notice and filed with the official records of the association.
607 Upon notice to the unit owners, the board shall, by duly adopted
608 rule, designate a specific location on the condominium or
609 association property where all notices of board meetings must be
610 posted. If there is no condominium property or association
611 property where notices can be posted, notices shall be mailed,
612 delivered, or electronically transmitted to each unit owner at
613 least 14 days before the meeting. In lieu of or in addition to
614 the physical posting of the notice on the condominium property,
615 the association may, by reasonable rule, adopt a procedure for
616 conspicuously posting and repeatedly broadcasting the notice and
617 the agenda on a closed-circuit cable television system serving
618 the condominium association. However, if broadcast notice is
619 used in lieu of a notice physically posted on condominium
620 property, the notice and agenda must be broadcast at least four



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621 times every broadcast hour of each day that a posted notice is
622 otherwise required under this section. If broadcast notice is
623 provided, the notice and agenda must be broadcast in a manner
624 and for a sufficient continuous length of time so as to allow an
625 average reader to observe the notice and read and comprehend the
626 entire content of the notice and the agenda. In addition to any
627 of the authorized means of providing notice of a meeting of the
628 board, the association may, by rule, adopt a procedure for
629 conspicuously posting the meeting notice and the agenda on a
630 website serving the condominium association for at least the
631 minimum period for which a notice of a meeting is required to be
632 physically posted on the condominium property. Any rule adopted
633 must, in addition to other matters, include a requirement that
634 the association send an electronic notice in the same manner as
635 required for a notice for a meeting of the members, which must
636 include a hypertext link to the website where the notice is
637 posted, to unit owners whose e-mail addresses are included in
638 the association's official records ~~Notice of any meeting in~~
639 ~~which regular or special assessments against unit owners are to~~
640 ~~be considered must specifically state that assessments will be~~
641 ~~considered and provide the nature, estimated cost, and~~
642 ~~description of the purposes for such assessments.~~

643 2. Meetings of a committee to take final action on behalf
644 of the board or make recommendations to the board regarding the
645 association budget are subject to this paragraph. Meetings of a
646 committee that does not take final action on behalf of the board
647 or make recommendations to the board regarding the association
648 budget are subject to this section, unless those meetings are
649 exempted from this section by the bylaws of the association.



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650 3. Notwithstanding any other law, the requirement that
651 board meetings and committee meetings be open to the unit owners
652 does not apply to:

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

657 b. Board meetings held for the purpose of discussing
658 personnel matters.

659 (1) *Certificate of compliance.*—A provision that a
660 certificate of compliance from a licensed electrical contractor,
661 ~~or~~ electrician, or professional engineer may be accepted by the
662 association's board as evidence of compliance ~~of the condominium~~
663 ~~units~~ with the applicable fire and life safety code must be
664 included. Notwithstanding chapter 633 or ~~of~~ any other code,
665 statute, ordinance, administrative rule, or regulation, or any
666 interpretation of the foregoing, an association, ~~residential~~
667 ~~condominium,~~ or unit owner is not obligated to retrofit the
668 common elements, association property, or units of a residential
669 condominium with a fire sprinkler system or other engineered
670 lifesafety system in a building that is 75 feet or less in
671 height. There is no obligation to retrofit for a building
672 greater than 75 feet in height, calculated from the lowest level
673 of fire department vehicle access to the floor of the highest
674 occupiable story, has been certified for occupancy by the
675 ~~applicable governmental entity~~ if the unit owners have voted to
676 forego such retrofitting by the affirmative vote of two-thirds a
677 ~~majority~~ of all voting interests in the affected condominium.
678 There is no requirement that owners in condominiums of 75 feet



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679 or less conduct an opt-out vote, and such condominiums are
680 exempt from fire sprinkler or other engineered lifesafety
681 retrofitting. The preceding sentence is intended to clarify
682 existing law. The local authority having jurisdiction may not
683 require completion of retrofitting with a fire sprinkler system
684 or other engineered lifesafety system before January 1, 2022
685 2020. By December 31, 2018 ~~2016~~, an a residential condominium
686 association that operates a residential condominium that is not
687 in compliance with the requirements for a fire sprinkler system
688 or other engineered lifesafety system and has not voted to
689 forego retrofitting of such a system must initiate an
690 application for a building permit for the required installation
691 with the local government having jurisdiction demonstrating that
692 the association will become compliant by December 31, 2021 ~~2019~~.

693 1. A vote to forego required retrofitting may be obtained
694 by limited proxy or by a ballot personally cast at a duly called
695 membership meeting, ~~or~~ by execution of a written consent by the
696 member, or by electronic voting, and is effective upon recording
697 a certificate executed by an officer or agent of the association
698 attesting to such vote in the public records of the county where
699 the condominium is located. When an opt-out vote is to be
700 conducted at a meeting, the association shall mail or ~~hand~~
701 deliver to each unit owner written notice at least 14 days
702 before the membership meeting in which the vote to forego
703 retrofitting of the required fire sprinkler system or other
704 engineered lifesafety system is to take place. Within 30 days
705 after the association's opt-out vote, notice of the results of
706 the opt-out vote must be mailed or ~~hand~~ delivered to all unit
707 owners. Evidence of compliance with this notice requirement must



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708 be made by affidavit executed by the person providing the notice
709 and filed among the official records of the association. Failure
710 to provide timely notice to unit owners does not invalidate an
711 otherwise valid opt-out vote if notice of the results is
712 provided to the owners. After notice is provided to each owner,
713 a copy must be provided by the current owner to a new owner
714 before closing and by a unit owner to a renter before signing a
715 lease.

716 2. If there has been a previous vote to forego
717 retrofitting, a vote to require retrofitting may be obtained at
718 a special meeting of the unit owners called by a petition of at
719 least 10 percent of the voting interests or by a majority of the
720 board of directors. The approval of two-thirds of all voting
721 interests in the affected condominium is required to require
722 retrofitting. ~~Such a vote may only be called once every 3 years.~~
723 Notice shall be provided as required for any regularly called
724 meeting of the unit owners, and must state the purpose of the
725 meeting. ~~Electronic transmission may not be used to provide~~
726 ~~notice of a meeting called in whole or in part for this purpose.~~

727 3. As part of the information collected annually from
728 condominiums, the division shall require condominium
729 associations to report the membership vote and recording of a
730 certificate under this subsection and, if retrofitting has been
731 undertaken, the per-unit cost of such work. The division shall
732 annually report to the Division of State Fire Marshal of the
733 Department of Financial Services the number of condominiums that
734 have elected to forego retrofitting. Compliance with this
735 administrative reporting requirement does not affect the
736 validity of an opt-out vote.



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737 4. Notwithstanding s. 553.509, a residential association
738 may not be obligated to, and may forego the retrofitting of, any
739 improvements required by s. 553.509(2) upon an affirmative vote
740 of a majority of the voting interests in the affected
741 condominium.

742 5. This paragraph does not apply to timeshare condominium
743 associations, which shall be governed by s. 721.24.

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

746 718.113 Maintenance; limitation upon improvement; display
747 of flag; hurricane shutters and protection; display of religious
748 decorations.—

749 (2) (a) Except as otherwise provided in this section, there
750 shall be no material alteration or substantial additions to the
751 common elements or to real property which is association
752 property, except in a manner provided in the declaration as
753 originally recorded or as amended under the procedures provided
754 therein. If the declaration as originally recorded or as amended
755 under the procedures provided therein does not specify the
756 procedure for approval of material alterations or substantial
757 additions, 75 percent of the total voting interests of the
758 association must approve the alterations or additions before the
759 material alterations or substantial additions are commenced.

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

763 (b) There shall not be any material alteration of, or
764 substantial addition to, the common elements of any condominium
765 operated by a multicondominium association unless approved in



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766 the manner provided in the declaration of the affected
767 condominium or condominiums as originally recorded or as amended
768 under the procedures provided therein. If a declaration as
769 originally recorded or as amended under the procedures provided
770 therein does not specify a procedure for approving such an
771 alteration or addition, the approval of 75 percent of the total
772 voting interests of each affected condominium is required before
773 the material alterations or substantial additions are commenced.

774 This subsection does not prohibit a provision in any
775 declaration, articles of incorporation, or bylaws as originally
776 recorded or as amended under the procedures provided therein
777 requiring the approval of unit owners in any condominium
778 operated by the same association or requiring board approval
779 before a material alteration or substantial addition to the
780 common elements is permitted. This paragraph is intended to
781 clarify existing law and applies to associations existing on the
782 effective date of this act.

783 (c) There shall not be any material alteration or
784 substantial addition made to association real property operated
785 by a multicondominium association, except as provided in the
786 declaration, articles of incorporation, or bylaws as originally
787 recorded or as amended under the procedures provided therein. If
788 the declaration, articles of incorporation, or bylaws as
789 originally recorded or as amended under the procedures provided
790 therein do not specify the procedure for approving an alteration
791 or addition to association real property, the approval of 75
792 percent of the total voting interests of the association is
793 required before the material alterations or substantial
794 additions are commenced. This paragraph is intended to clarify



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795 existing law and applies to associations existing on the
796 effective date of this act.

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

800 718.117 Termination of condominium.—

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

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

805 (b) In some circumstances, the continued enforcement of
806 those covenants that may create economic waste or areas of
807 disrepair which threaten the safety and welfare of the public or
808 or cause obsolescence of the a condominium property for its
809 intended use and thereby lower property tax values, and the
810 Legislature further finds that it is the public policy of this
811 state to provide by statute a method to preserve the value of
812 the property interests and the rights of alienation thereof that
813 owners have in the condominium property before and after
814 termination.

815 (c) The Legislature further finds that It is contrary to
816 the public policy of this state to require the continued
817 operation of a condominium when to do so constitutes economic
818 waste or when the ability to do so is made impossible by law or
819 regulation.

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

823 1. Ensure the continued maintenance, management, and repair



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824 of stormwater management systems, conservation areas, and
825 conservation easements.

826 2. Avoid transferring the expense of maintaining
827 infrastructure serving the condominium property, including, but
828 not limited to, stormwater systems and conservation areas, to
829 the general tax bases of the state and local governments.

830 3. Prevent covenants from impairing the continued
831 productive use of the property.

832 4. Protect state residents from health and safety hazards
833 created by derelict, damaged, obsolete, or abandoned condominium
834 properties.

835 5. Provide for fair treatment and just compensation for
836 individuals, preserve property values, and preserve the local
837 property tax base.

838 6. Preserve the state's long history of protecting
839 homestead property and homestead property rights by ensuring
840 that such protection is extended to homestead property owners in
841 the context of a termination of the covenants of a declaration
842 of condominium ~~This section applies to all condominiums in this~~
843 ~~state in existence on or after July 1, 2007.~~

844 (3) OPTIONAL TERMINATION. ~~Except as provided in subsection~~
845 ~~(2) or unless the declaration provides for a lower percentage,~~
846 The condominium form of ownership may be terminated for all or a
847 portion of the condominium property pursuant to a plan of
848 termination meeting the requirements of this section and
849 approved by the division. Before a residential association
850 submits a plan to the division, the plan must be approved by at
851 least 80 percent of the total voting interests of the
852 condominium. However, if 5 ~~10~~ percent or more of the total



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853 voting interests of the condominium have rejected the plan of
854 termination by negative vote or by providing written objections,
855 the plan of termination may not proceed.

856 (a) The termination of the condominium form of ownership is
857 subject to the following conditions:

858 1. The total voting interests of the condominium must
859 include all voting interests for the purpose of considering a
860 plan of termination. A voting interest of the condominium may
861 not be suspended for any reason when voting on termination
862 pursuant to this subsection.

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

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

871 (c) For purposes of this subsection, the term "bulk owner"
872 means the single holder of such voting interests or an owner
873 together with a related entity or entities that would be
874 considered an insider, as defined in s. 726.102, holding such
875 voting interests. If the condominium association is a
876 residential association proposed for termination pursuant to
877 this section and, at the time of recording the plan of
878 termination, at least 80 percent of the total voting interests
879 are owned by a bulk owner, the plan of termination is subject to
880 the following conditions and limitations:

881 1. If the former condominium units are offered for lease to



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882 the public after the termination, each unit owner in occupancy
883 immediately before the date of recording of the plan of
884 termination may lease his or her former unit and remain in
885 possession of the unit for 12 months after the effective date of
886 the termination on the same terms as similar unit types within
887 the property are being offered to the public. In order to obtain
888 a lease and exercise the right to retain exclusive possession of
889 the unit owner's former unit, the unit owner must make a written
890 request to the termination trustee to rent the former unit
891 within 90 days after the date the plan of termination is
892 recorded. Any unit owner who fails to timely make such written
893 request and sign a lease within 15 days after being presented
894 with a lease is deemed to have waived his or her right to retain
895 possession of his or her former unit and shall be required to
896 vacate the former unit upon the effective date of the
897 termination, unless otherwise provided in the plan of
898 termination.

899 2. Any former unit owner whose unit was granted homestead
900 exemption status by the applicable county property appraiser as
901 of the date of the recording of the plan of termination shall be
902 paid a relocation payment in an amount equal to 1 percent of the
903 termination proceeds allocated to the owner's former unit. Any
904 relocation payment payable under this subparagraph shall be paid
905 by the single entity or related entities owning at least 80
906 percent of the total voting interests. Such relocation payment
907 shall be in addition to the termination proceeds for such
908 owner's former unit and shall be paid no later than 10 days
909 after the former unit owner vacates his or her former unit.

910 3. For their respective units, all unit owners other than



911 the bulk owner must be compensated at least 100 percent of the
912 fair market value of their units. The fair market value shall be
913 determined as of a date that is no earlier than 90 days before
914 the date that the plan of termination is recorded and shall be
915 determined by an independent appraiser selected by the
916 termination trustee. For a person ~~an original purchaser from the~~
917 ~~developer who rejects the plan of termination and~~ whose unit was
918 granted homestead exemption status by the applicable county
919 property appraiser, or was an owner-occupied operating business,
920 as of the date that the plan of termination is recorded and who
921 is current in payment of both assessments and other monetary
922 obligations to the association ~~and any mortgage encumbering the~~
923 ~~unit~~ as of the date the plan of termination is recorded, the
924 fair market value for the unit owner rejecting the plan shall be
925 at least the original purchase price paid for the unit. For
926 purposes of this subparagraph, the term "fair market value"
927 means the price of a unit that a seller is willing to accept and
928 a buyer is willing to pay on the open market in an arms-length
929 transaction based on similar units sold in other condominiums,
930 including units sold in bulk purchases but excluding units sold
931 at wholesale or distressed prices. The purchase price of units
932 acquired in bulk following a bankruptcy or foreclosure shall not
933 be considered for purposes of determining fair market value.

934 4. The plan of termination must provide for payment of a
935 first mortgage encumbering a unit to the extent necessary to
936 satisfy the lien, but the payment may not exceed the unit's
937 share of the proceeds of termination under the plan. If the unit
938 owner is current in payment of both assessments and other
939 monetary obligations to the association and any mortgage



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940 encumbering the unit as of the date the plan of termination is
941 recorded, the receipt by the holder of the unit's share of the
942 proceeds of termination under the plan or the outstanding
943 balance of the mortgage, whichever is less, shall be deemed to
944 have satisfied the first mortgage in full.

945 5. Before a plan of termination is presented to the unit
946 owners for consideration pursuant to this paragraph, the plan
947 must include the following written disclosures in a sworn
948 statement:

949 a. The identity of any person or entity that owns or
950 controls 25 ~~50~~ percent or more of the units in the condominium
951 and, if the units are owned by an artificial entity or entities,
952 a disclosure of the natural person or persons who, directly or
953 indirectly, manage or control the entity or entities and the
954 natural person or persons who, directly or indirectly, own or
955 control 10 ~~20~~ percent or more of the artificial entity or
956 entities that constitute the bulk owner.

957 b. The units acquired by any bulk owner, the date each unit
958 was acquired, and the total amount of compensation paid to each
959 prior unit owner by the bulk owner, regardless of whether
960 attributed to the purchase price of the unit.

961 c. The relationship of any board member to the bulk owner
962 or any person or entity affiliated with the bulk owner subject
963 to disclosure pursuant to this subparagraph.

964 d. The factual circumstances that show that the plan
965 complies with the requirements of this section and that the plan
966 supports the expressed public policies of this section.

967 (d) If the members of the board of administration are
968 elected by the bulk owner, unit owners other than the bulk owner



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969 may elect at least one-third of the members of the board of
970 administration before the approval of any plan of termination.

971 (e) Subsection (2) does not apply to optional termination
972 pursuant to this subsection.

973 (21) APPLICABILITY.—This section applies to all
974 condominiums in this state in existence on or after July 1,
975 2007.

976 Section 6. The amendments made by this act to s. 718.117,
977 Florida Statutes, are intended to clarify existing law, are
978 remedial in nature and intended to address the rights and
979 liabilities of the affected parties, and apply to all
980 condominiums created under the Condominium Act.

981 Section 7. Section 718.707, Florida Statutes, is amended to
982 read:

983 718.707 Time limitation for classification as bulk assignee
984 or bulk buyer.—A person acquiring condominium parcels may not be
985 classified as a bulk assignee or bulk buyer unless the
986 condominium parcels were acquired on or after July 1, 2010, ~~but~~
987 ~~before July 1, 2018~~. The date of such acquisition shall be
988 determined by the date of recording a deed or other instrument
989 of conveyance for such parcels in the public records of the
990 county in which the condominium is located, or by the date of
991 issuing a certificate of title in a foreclosure proceeding with
992 respect to such condominium parcels.

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

996 719.104 Cooperatives; access to units; records; financial
997 reports; assessments; purchase of leases.—



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998 (2) OFFICIAL RECORDS.—

999 (a) From the inception of the association, the association
1000 shall maintain a copy of each of the following, where
1001 applicable, which shall constitute the official records of the
1002 association:

1003 1. The plans, permits, warranties, and other items provided
1004 by the developer pursuant to s. 719.301(4).

1005 2. A photocopy of the cooperative documents.

1006 3. A copy of the current rules of the association.

1007 4. A book or books containing the minutes of all meetings
1008 of the association, of the board of directors, and of the unit
1009 owners, which minutes shall be retained for a period of not less
1010 than 7 years.

1011 5. A current roster of all unit owners and their mailing
1012 addresses, unit identifications, voting certifications, and, if
1013 known, telephone numbers. The association shall also maintain
1014 the electronic mailing addresses and the numbers designated by
1015 unit owners for receiving notice sent by electronic transmission
1016 of those unit owners consenting to receive notice by electronic
1017 transmission. The electronic mailing addresses and numbers
1018 provided by unit owners to receive notice by electronic
1019 transmission shall be removed from association records when
1020 consent to receive notice by electronic transmission is revoked.
1021 However, the association is not liable for an erroneous
1022 disclosure of the electronic mail address or the number for
1023 receiving electronic transmission of notices.

1024 6. All current insurance policies of the association.

1025 7. A current copy of any management agreement, lease, or
1026 other contract to which the association is a party or under



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1027 which the association or the unit owners have an obligation or
1028 responsibility.

1029 8. Bills of sale or transfer for all property owned by the
1030 association.

1031 9. Accounting records for the association and separate
1032 accounting records for each unit it operates, according to good
1033 accounting practices. All accounting records shall be maintained
1034 for a period of not less than 7 years. The accounting records
1035 shall include, but not be limited to:

1036 a. Accurate, itemized, and detailed records of all receipts
1037 and expenditures.

1038 b. A current account and a monthly, bimonthly, or quarterly
1039 statement of the account for each unit designating the name of
1040 the unit owner, the due date and amount of each assessment, the
1041 amount paid upon the account, and the balance due.

1042 c. All audits, reviews, accounting statements, and
1043 financial reports of the association.

1044 d. All contracts for work to be performed. Bids for work to
1045 be performed shall also be considered official records and shall
1046 be maintained for a period of 1 year.

1047 10. Ballots, sign-in sheets, voting proxies, and all other
1048 papers and electronic records relating to voting by unit owners,
1049 which shall be maintained for a period of 1 year after the date
1050 of the election, vote, or meeting to which the document relates.

1051 11. All rental records where the association is acting as
1052 agent for the rental of units.

1053 12. A copy of the current question and answer sheet as
1054 described in s. 719.504.

1055 13. All other written records of the association not



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1056 specifically included in the foregoing which are related to the
1057 operation of the association.

1058 (b) The official records of the association must be
1059 maintained within the state for at least 7 years. The records of
1060 the association shall be made available to a unit owner within
1061 45 miles of the cooperative property or within the county in
1062 which the cooperative property is located within 10 ~~5~~ working
1063 days after receipt of written request by the board or its
1064 designee. This paragraph may be complied with by having a copy
1065 of the official records of the association available for
1066 inspection or copying on the cooperative property or the
1067 association may offer the option of making the records available
1068 to a unit owner electronically via the Internet or by allowing
1069 the records to be viewed in an electronic format on a computer
1070 screen and printed upon request. The association is not
1071 responsible for the use or misuse of the information provided to
1072 an association member or his or her authorized representative
1073 pursuant to the compliance requirements of this chapter unless
1074 the association has an affirmative duty not to disclose such
1075 information pursuant to this chapter.

1076 (4) FINANCIAL REPORT.—

1077 (b) Except as provided in paragraph (c), an association
1078 whose total annual revenues meet the criteria of this paragraph
1079 shall prepare or cause to be prepared a complete set of
1080 financial statements according to the generally accepted
1081 accounting principles adopted by the Board of Accountancy. The
1082 financial statements shall be as follows:

1083 1. An association with total annual revenues between
1084 \$150,000 and \$299,999 shall prepare a compiled financial



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1085 statement.

1086 2. An association with total annual revenues between
1087 \$300,000 and \$499,999 shall prepare a reviewed financial
1088 statement.

1089 3. An association with total annual revenues of \$500,000 or
1090 more shall prepare an audited financial statement.

1091 4. The requirement to have the financial statement
1092 compiled, reviewed, or audited does not apply to an association
1093 if a majority of the voting interests of the association present
1094 at a duly called meeting of the association have voted to waive
1095 this requirement for the fiscal year. In an association in which
1096 turnover of control by the developer has not occurred, the
1097 developer may vote to waive the audit requirement for the first
1098 2 years of operation of the association, after which time waiver
1099 of an applicable audit requirement shall be by a majority of
1100 voting interests other than the developer. The meeting shall be
1101 held prior to the end of the fiscal year, and the waiver shall
1102 be effective for only one fiscal year. ~~An association may not
1103 waive the financial reporting requirements of this section for
1104 more than 3 consecutive years.~~

1105 (c)1. An association with total annual revenues of less
1106 than \$150,000 shall prepare a report of cash receipts and
1107 expenditures.

1108 ~~2. An association in a community of fewer than 50 units,
1109 regardless of the association's annual revenues, shall prepare a
1110 report of cash receipts and expenditures in lieu of the
1111 financial statements required by paragraph (b), unless the
1112 declaration or other recorded governing documents provide
1113 otherwise.~~



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1114 ~~2.3.~~ A report of cash receipts and expenditures must
1115 disclose the amount of receipts by accounts and receipt
1116 classifications and the amount of expenses by accounts and
1117 expense classifications, including the following, as applicable:
1118 costs for security, professional, and management fees and
1119 expenses; taxes; costs for recreation facilities; expenses for
1120 refuse collection and utility services; expenses for lawn care;
1121 costs for building maintenance and repair; insurance costs;
1122 administration and salary expenses; and reserves, if maintained
1123 by the association.

1124 Section 9. Subsection (5) of section 719.1055, Florida
1125 Statutes, is amended to read:

1126 719.1055 Amendment of cooperative documents; alteration and
1127 acquisition of property.—

1128 (5) The bylaws must include a provision whereby a
1129 certificate of compliance from a licensed electrical contractor,
1130 ~~or~~ electrician, or professional engineer may be accepted by the
1131 association's board as evidence of compliance ~~of the cooperative~~
1132 ~~units~~ with the applicable fire and life safety code.

1133 (a)1. Notwithstanding chapter 633 or any other code,
1134 statute, ordinance, administrative rule, or regulation, or any
1135 interpretation of the foregoing, an association a cooperative or
1136 unit owner is not obligated to retrofit the common elements or
1137 units of a residential cooperative with a fire sprinkler system
1138 or other engineered lifesafety system in a building that is 75
1139 feet or less in height. There is no obligation to retrofit for a
1140 building greater than 75 feet in height, calculated from the
1141 lowest level of fire department vehicle access to the floor of
1142 the highest occupiable story, has been certified for occupancy



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1143 ~~by the applicable governmental entity~~ if the unit owners have
1144 voted to forego such retrofitting by the affirmative vote of
1145 two-thirds a majority of all voting interests in the affected
1146 cooperative. There is no requirement that owners in cooperatives
1147 of 75 feet or less conduct an opt-out vote, and such
1148 cooperatives are exempt from fire sprinkler or other engineered
1149 life safety retrofitting. The preceding sentence is intended to
1150 clarify existing law. The local authority having jurisdiction
1151 may not require completion of retrofitting with a fire sprinkler
1152 system or other engineered life safety system before January 1,
1153 2022 ~~the end of 2019~~. By December 31, 2018 ~~2016~~, a cooperative
1154 that is not in compliance with the requirements for a fire
1155 sprinkler system or other engineered lifesafety system and has
1156 not voted to forego retrofitting of such a system must initiate
1157 an application for a building permit for the required
1158 installation with the local government having jurisdiction
1159 demonstrating that the cooperative will become compliant by
1160 December 31, 2021 ~~2019~~.

1161 2. A vote to forego required retrofitting may be obtained
1162 by limited proxy or by a ballot personally cast at a duly called
1163 membership meeting, ~~or~~ by execution of a written consent by the
1164 member, or by electronic voting, and is effective upon recording
1165 a certificate executed by an officer or agent of the association
1166 attesting to such vote in the public records of the county where
1167 the cooperative is located. When the opt-out vote is to be
1168 conducted at a meeting, the cooperative shall mail or ~~hand~~
1169 deliver to each unit owner written notice at least 14 days
1170 before the membership meeting in which the vote to forego
1171 retrofitting of the required fire sprinkler system or other



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1172 engineered lifesafety system is to take place. Within 30 days
1173 after the cooperative's opt-out vote, notice of the results of
1174 the opt-out vote must be mailed or ~~hand~~ delivered to all unit
1175 owners. Evidence of compliance with this notice requirement must
1176 be made by affidavit executed by the person providing the notice
1177 and filed among the official records of the cooperative. Failure
1178 to provide timely notice to unit owners does not invalidate an
1179 otherwise valid opt-out vote if notice of the results is
1180 provided to the owners. After notice is provided to each owner,
1181 a copy must be provided by the current owner to a new owner
1182 before closing and by a unit owner to a renter before signing a
1183 lease.

1184 (b) If there has been a previous vote to forego
1185 retrofitting, a vote to require retrofitting may be obtained at
1186 a special meeting of the unit owners called by a petition of
1187 least 10 percent of the voting interests or by a majority of the
1188 board of directors. The approval of two-thirds of all voting
1189 interests in the affected condominium is required to require
1190 retrofitting. ~~Such vote may only be called once every 3 years.~~
1191 Notice must be provided as required for any regularly called
1192 meeting of the unit owners, and the notice must state the
1193 purpose of the meeting. ~~Electronic transmission may not be used~~
1194 ~~to provide notice of a meeting called in whole or in part for~~
1195 ~~this purpose.~~

1196 (c) As part of the information collected annually from
1197 cooperatives, the division shall require associations to report
1198 the membership vote and recording of a certificate under this
1199 subsection and, if retrofitting has been undertaken, the per-
1200 unit cost of such work. The division shall annually report to



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1201 the Division of State Fire Marshal of the Department of
1202 Financial Services the number of cooperatives that have elected
1203 to forego retrofitting. Compliance with this administrative
1204 reporting requirement does not affect the validity of an opt-out
1205 vote.

1206 Section 10. Paragraphs (a) and (c) of subsection (1) of
1207 section 719.106, Florida Statutes, are amended, and paragraph
1208 (m) is added to that subsection, to read:

1209 719.106 Bylaws; cooperative ownership.—

1210 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
1211 documents shall provide for the following, and if they do not,
1212 they shall be deemed to include the following:

1213 (a) *Administration.*—

1214 1. The form of administration of the association shall be
1215 described, indicating the titles of the officers and board of
1216 administration and specifying the powers, duties, manner of
1217 selection and removal, and compensation, if any, of officers and
1218 board members. In the absence of such a provision, the board of
1219 administration shall be composed of five members, except in the
1220 case of cooperatives having five or fewer units, in which case
1221 in not-for-profit corporations, the board shall consist of not
1222 fewer than three members. In a residential cooperative
1223 association of more than 10 units, coowners of a unit may not
1224 serve as members of the board of directors at the same time
1225 unless the coowners own more than one unit or unless there are
1226 not enough eligible candidates to fill the vacancies on the
1227 board at the time of the vacancy. In the absence of provisions
1228 to the contrary, the board of administration shall have a
1229 president, a secretary, and a treasurer, who shall perform the



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1230 duties of those offices customarily performed by officers of
1231 corporations. Unless prohibited in the bylaws, the board of
1232 administration may appoint other officers and grant them those
1233 duties it deems appropriate. Unless otherwise provided in the
1234 bylaws, the officers shall serve without compensation and at the
1235 pleasure of the board. Unless otherwise provided in the bylaws,
1236 the members of the board shall serve without compensation.

1237 2. A person who has been suspended or removed by the
1238 division under this chapter, or who is delinquent in the payment
1239 of any monetary obligation due to the association, is not
1240 eligible to be a candidate for board membership and may not be
1241 listed on the ballot. A director or officer charged by
1242 information or indictment with a felony theft or embezzlement
1243 offense involving the association's funds or property is
1244 suspended from office. The board shall fill the vacancy
1245 according to general law until the end of the period of the
1246 suspension or the end of the director's term of office,
1247 whichever occurs first. However, if the charges are resolved
1248 without a finding of guilt or without acceptance of a plea of
1249 guilty or nolo contendere, the director or officer shall be
1250 reinstated for any remainder of his or her term of office. A
1251 member who has such criminal charges pending may not be
1252 appointed or elected to a position as a director or officer. A
1253 person who has been convicted of any felony in this state or in
1254 any United States District Court, or who has been convicted of
1255 any offense in another jurisdiction which would be considered a
1256 felony if committed in this state, is not eligible for board
1257 membership unless such felon's civil rights have been restored
1258 for at least 5 years as of the date such person seeks election



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1259 to the board. The validity of an action by the board is not
1260 affected if it is later determined that a board member is
1261 ineligible for board membership due to having been convicted of
1262 a felony.

1263 3. When a unit owner files a written inquiry by certified
1264 mail with the board of administration, the board shall respond
1265 in writing to the unit owner within 30 days of receipt of the
1266 inquiry. The board's response shall either give a substantive
1267 response to the inquirer, notify the inquirer that a legal
1268 opinion has been requested, or notify the inquirer that advice
1269 has been requested from the division. If the board requests
1270 advice from the division, the board shall, within 10 days of its
1271 receipt of the advice, provide in writing a substantive response
1272 to the inquirer. If a legal opinion is requested, the board
1273 shall, within 60 days after the receipt of the inquiry, provide
1274 in writing a substantive response to the inquirer. The failure
1275 to provide a substantive response to the inquirer as provided
1276 herein precludes the board from recovering attorney's fees and
1277 costs in any subsequent litigation, administrative proceeding,
1278 or arbitration arising out of the inquiry. The association may,
1279 through its board of administration, adopt reasonable rules and
1280 regulations regarding the frequency and manner of responding to
1281 the unit owners' inquiries, one of which may be that the
1282 association is obligated to respond to only one written inquiry
1283 per unit in any given 30-day period. In such case, any
1284 additional inquiry or inquiries must be responded to in the
1285 subsequent 30-day period, or periods, as applicable.

1286 (c) *Board of administration meetings.*—Members of the board
1287 of administration may use e-mail as a means of communication but



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1288 may not cast a vote on an association matter via e-mail.
1289 Meetings of the board of administration at which a quorum of the
1290 members is present shall be open to all unit owners. Any unit
1291 owner may tape record or videotape meetings of the board of
1292 administration. The right to attend such meetings includes the
1293 right to speak at such meetings with reference to all designated
1294 agenda items. The division shall adopt reasonable rules
1295 governing the tape recording and videotaping of the meeting. The
1296 association may adopt reasonable written rules governing the
1297 frequency, duration, and manner of unit owner statements.
1298 Adequate notice of all meetings shall be posted in a conspicuous
1299 place upon the cooperative property at least 48 continuous hours
1300 preceding the meeting, except in an emergency. Any item not
1301 included on the notice may be taken up on an emergency basis by
1302 at least a majority plus one of the members of the board. Such
1303 emergency action shall be noticed and ratified at the next
1304 regular meeting of the board. Notice of any meeting in which
1305 regular or special assessments against unit owners are to be
1306 considered must specifically state that assessments will be
1307 considered and provide the estimated amount and description of
1308 the purposes for such assessments. ~~However,~~ Written notice of
1309 any meeting at which nonemergency special assessments, or at
1310 which amendment to rules regarding unit use, will be considered
1311 shall be mailed, delivered, or electronically transmitted to the
1312 unit owners and posted conspicuously on the cooperative property
1313 not less than 14 days before the meeting. Evidence of compliance
1314 with this 14-day notice shall be made by an affidavit executed
1315 by the person providing the notice and filed among the official
1316 records of the association. Upon notice to the unit owners, the



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1317 board shall by duly adopted rule designate a specific location
1318 on the cooperative property upon which all notices of board
1319 meetings shall be posted. In lieu of or in addition to the
1320 physical posting of notice of any meeting of the board of
1321 administration on the cooperative property, the association may,
1322 by reasonable rule, adopt a procedure for conspicuously posting
1323 and repeatedly broadcasting the notice and the agenda on a
1324 closed-circuit cable television system serving the cooperative
1325 association. However, if broadcast notice is used in lieu of a
1326 notice posted physically on the cooperative property, the notice
1327 and agenda must be broadcast at least four times every broadcast
1328 hour of each day that a posted notice is otherwise required
1329 under this section. When broadcast notice is provided, the
1330 notice and agenda must be broadcast in a manner and for a
1331 sufficient continuous length of time so as to allow an average
1332 reader to observe the notice and read and comprehend the entire
1333 content of the notice and the agenda. In addition to any of the
1334 authorized means of providing notice of a meeting of the board,
1335 the association may, by rule, adopt a procedure for
1336 conspicuously posting the meeting notice and the agenda on a
1337 website serving the cooperative association for at least the
1338 minimum period for which a notice of a meeting is required to be
1339 physically posted on the cooperative property. Any rule adopted
1340 must, in addition to other matters, include a requirement that
1341 the association send an electronic notice in the same manner as
1342 required for a notice for a meeting of the members, which must
1343 include a hypertext link to the website where the notice is
1344 posted, to unit owners whose e-mail addresses are included in
1345 the association's official records. ~~Notice of any meeting in~~



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1346 ~~which regular assessments against unit owners are to be~~
1347 ~~considered for any reason shall specifically contain a statement~~
1348 ~~that assessments will be considered and the nature of any such~~
1349 ~~assessments.~~ Meetings of a committee to take final action on
1350 behalf of the board or to make recommendations to the board
1351 regarding the association budget are subject to the provisions
1352 of this paragraph. Meetings of a committee that does not take
1353 final action on behalf of the board or make recommendations to
1354 the board regarding the association budget are subject to the
1355 provisions of this section, unless those meetings are exempted
1356 from this section by the bylaws of the association.

1357 Notwithstanding any other law to the contrary, the requirement
1358 that board meetings and committee meetings be open to the unit
1359 owners does not apply to board or committee meetings held for
1360 the purpose of discussing personnel matters or meetings between
1361 the board or a committee and the association's attorney, with
1362 respect to proposed or pending litigation, if the meeting is
1363 held for the purpose of seeking or rendering legal advice.

1364 (m) Director or officer delinquencies.—A director or
1365 officer who is more than 90 days delinquent in the payment of
1366 any monetary obligation due the association shall be deemed to
1367 have abandoned the office, creating a vacancy in the office to
1368 be filled according to law.

1369 Section 11. Paragraph (b) of subsection (1) of section
1370 719.107, Florida Statutes, is amended to read:

1371 719.107 Common expenses; assessment.—

1372 (1)

1373 (b) If so provided in the bylaws, the cost of
1374 communications services as defined in chapter 202, information



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1375 services, or Internet services ~~a master antenna television~~
1376 ~~system or duly franchised cable television service~~ obtained
1377 pursuant to a bulk contract shall be deemed a common expense,
1378 and if not obtained pursuant to a bulk contract, such cost shall
1379 be considered common expense if it is designated as such in a
1380 written contract between the board of administration and the
1381 company providing the communications services as defined in
1382 chapter 202, information services, or Internet services ~~master~~
1383 ~~television antenna system or the cable television service~~. The
1384 contract shall be for a term of not less than 2 years.

1385 1. Any contract made by the board after April 2, 1992, for
1386 a community antenna system or duly franchised cable television
1387 service, communications services as defined in chapter 202,
1388 information services, or Internet services may be canceled by a
1389 majority of the voting interests present at the next regular or
1390 special meeting of the association. Any member may make a motion
1391 to cancel the contract, but if no motion is made or if such
1392 motion fails to obtain the required majority at the next regular
1393 or special meeting, whichever is sooner, following the making of
1394 the contract, then such contract shall be deemed ratified for
1395 the term therein expressed.

1396 2. Any such contract shall provide, and shall be deemed to
1397 provide if not expressly set forth, that any hearing impaired or
1398 legally blind unit owner who does not occupy the unit with a
1399 nonhearing impaired or sighted person may discontinue the
1400 service without incurring disconnect fees, penalties, or
1401 subsequent service charges, and as to such units, the owners
1402 shall not be required to pay any common expenses charge related
1403 to such service. If less than all members of an association



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1404 share the expenses of cable television, the expense shall be
1405 shared equally by all participating unit owners. The association
1406 may use the provisions of s. 719.108 to enforce payment of the
1407 shares of such costs by the unit owners receiving cable
1408 television.

1409 Section 12. Paragraphs (a) and (c) of subsection (2) and
1410 subsection (7) of section 720.303, Florida Statutes, are amended
1411 to read:

1412 720.303 Association powers and duties; meetings of board;
1413 official records; budgets; financial reporting; association
1414 funds; recalls.—

1415 (2) BOARD MEETINGS.—

1416 (a) Members of the board of administration may use e-mail
1417 as a means of communication, but may not cast a vote on an
1418 association matter via e-mail. A meeting of the board of
1419 directors of an association occurs whenever a quorum of the
1420 board gathers to conduct association business. Meetings of the
1421 board must be open to all members, except for meetings between
1422 the board and its attorney with respect to proposed or pending
1423 litigation where the contents of the discussion would otherwise
1424 be governed by the attorney-client privilege. A meeting of the
1425 board must be held at a location that is accessible to a
1426 physically handicapped person if requested by a physically
1427 handicapped person who has a right to attend the meeting. The
1428 provisions of this subsection shall also apply to the meetings
1429 of any committee or other similar body when a final decision
1430 will be made regarding the expenditure of association funds and
1431 to meetings of any body vested with the power to approve or
1432 disapprove architectural decisions with respect to a specific



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1433 parcel of residential property owned by a member of the
1434 community.

1435 (c) The bylaws shall provide the following for giving
1436 notice to parcel owners and members of all board meetings and,
1437 if they do not do so, shall be deemed to include ~~provide~~ the
1438 following:

1439 1. Notices of all board meetings must be posted in a
1440 conspicuous place in the community at least 48 hours in advance
1441 of a meeting, except in an emergency. In the alternative, if
1442 notice is not posted in a conspicuous place in the community,
1443 notice of each board meeting must be mailed or delivered to each
1444 member at least 7 days before the meeting, except in an
1445 emergency. Notwithstanding this general notice requirement, for
1446 communities with more than 100 members, the association bylaws
1447 may provide for a reasonable alternative to posting or mailing
1448 of notice for each board meeting, including publication of
1449 notice, provision of a schedule of board meetings, or the
1450 conspicuous posting and repeated broadcasting of the notice on a
1451 closed-circuit cable television system serving the homeowners'
1452 association. However, if broadcast notice is used in lieu of a
1453 notice posted physically in the community, the notice must be
1454 broadcast at least four times every broadcast hour of each day
1455 that a posted notice is otherwise required. When broadcast
1456 notice is provided, the notice and agenda must be broadcast in a
1457 manner and for a sufficient continuous length of time so as to
1458 allow an average reader to observe the notice and read and
1459 comprehend the entire content of the notice and the agenda. In
1460 addition to any of the authorized means of providing notice of a
1461 meeting of the board, the association may, by rule, adopt a



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1462 procedure for conspicuously posting the meeting notice and the
1463 agenda on a website serving the association for at least the
1464 minimum period for which a notice of a meeting is required to be
1465 physically posted on the association property. Any rule adopted
1466 must, in addition to other matters, include a requirement that
1467 the association send an electronic notice in the same manner as
1468 required for a notice for a meeting of the members, which must
1469 include a hypertext link to the website where the notice is
1470 posted, to members who have provided an e-mail address to the
1471 association for the purpose of receiving notice by electronic
1472 transmission. The association may provide notice by electronic
1473 transmission in a manner authorized by law for meetings of the
1474 board of directors, committee meetings requiring notice under
1475 this section, and annual and special meetings of the members;
1476 however, a member must consent in writing to receiving notice by
1477 electronic transmission.

1478 2. An assessment may not be levied at a board meeting
1479 unless the notice of the meeting includes a statement that
1480 assessments will be considered and the nature of the
1481 assessments. Written notice of any meeting at which special
1482 assessments will be considered or at which amendments to rules
1483 regarding parcel use will be considered must be mailed,
1484 delivered, or electronically transmitted to the members and
1485 parcel owners and posted conspicuously on the property or
1486 broadcast on closed-circuit cable television not less than 14
1487 days before the meeting.

1488 3. Directors may not vote by proxy or by secret ballot at
1489 board meetings, except that secret ballots may be used in the
1490 election of officers. This subsection also applies to the



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1491 meetings of any committee or other similar body, when a final
1492 decision will be made regarding the expenditure of association
1493 funds, and to any body vested with the power to approve or
1494 disapprove architectural decisions with respect to a specific
1495 parcel of residential property owned by a member of the
1496 community.

1497 (7) FINANCIAL REPORTING.—Within 90 days after the end of
1498 the fiscal year, or annually on the date provided in the bylaws,
1499 the association shall prepare and complete, or contract with a
1500 third party for the preparation and completion of, a financial
1501 report for the preceding fiscal year. Within 21 days after the
1502 final financial report is completed by the association or
1503 received from the third party, but not later than 120 days after
1504 the end of the fiscal year or other date as provided in the
1505 bylaws, the association shall, within the time limits set forth
1506 in subsection (5), provide each member with a copy of the annual
1507 financial report or a written notice that a copy of the
1508 financial report is available upon request at no charge to the
1509 member. Financial reports shall be prepared as follows:

1510 (a) An association that meets the criteria of this
1511 paragraph shall prepare or cause to be prepared a complete set
1512 of financial statements in accordance with generally accepted
1513 accounting principles as adopted by the Board of Accountancy.
1514 The financial statements shall be based upon the association's
1515 total annual revenues, as follows:

1516 1. An association with total annual revenues of \$150,000 or
1517 more, but less than \$300,000, shall prepare compiled financial
1518 statements.

1519 2. An association with total annual revenues of at least



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1520 \$300,000, but less than \$500,000, shall prepare reviewed
1521 financial statements.

1522 3. An association with total annual revenues of \$500,000 or
1523 more shall prepare audited financial statements.

1524 (b)1. An association with total annual revenues of less
1525 than \$150,000 shall prepare a report of cash receipts and
1526 expenditures.

1527 ~~2. An association in a community of fewer than 50 parcels,~~
1528 ~~regardless of the association's annual revenues, may prepare a~~
1529 ~~report of cash receipts and expenditures in lieu of financial~~
1530 ~~statements required by paragraph (a) unless the governing~~
1531 ~~documents provide otherwise.~~

1532 ~~2.3.~~ A report of cash receipts and disbursement must
1533 disclose the amount of receipts by accounts and receipt
1534 classifications and the amount of expenses by accounts and
1535 expense classifications, including, but not limited to, the
1536 following, as applicable: costs for security, professional, and
1537 management fees and expenses; taxes; costs for recreation
1538 facilities; expenses for refuse collection and utility services;
1539 expenses for lawn care; costs for building maintenance and
1540 repair; insurance costs; administration and salary expenses; and
1541 reserves if maintained by the association.

1542 (c) If 20 percent of the parcel owners petition the board
1543 for a level of financial reporting higher than that required by
1544 this section, the association shall duly notice and hold a
1545 meeting of members within 30 days of receipt of the petition for
1546 the purpose of voting on raising the level of reporting for that
1547 fiscal year. Upon approval of a majority of the total voting
1548 interests of the parcel owners, the association shall prepare or



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1549 cause to be prepared, shall amend the budget or adopt a special
1550 assessment to pay for the financial report regardless of any
1551 provision to the contrary in the governing documents, and shall
1552 provide within 90 days of the meeting or the end of the fiscal
1553 year, whichever occurs later:

1554 1. Compiled, reviewed, or audited financial statements, if
1555 the association is otherwise required to prepare a report of
1556 cash receipts and expenditures;

1557 2. Reviewed or audited financial statements, if the
1558 association is otherwise required to prepare compiled financial
1559 statements; or

1560 3. Audited financial statements if the association is
1561 otherwise required to prepare reviewed financial statements.

1562 (d) If approved by a majority of the voting interests
1563 present at a properly called meeting of the association, an
1564 association may prepare or cause to be prepared:

1565 1. A report of cash receipts and expenditures in lieu of a
1566 compiled, reviewed, or audited financial statement;

1567 2. A report of cash receipts and expenditures or a compiled
1568 financial statement in lieu of a reviewed or audited financial
1569 statement; or

1570 3. A report of cash receipts and expenditures, a compiled
1571 financial statement, or a reviewed financial statement in lieu
1572 of an audited financial statement.

1573 Section 13. Paragraph (a) of subsection (9) of section
1574 720.306, Florida Statutes, is amended to read:

1575 720.306 Meetings of members; voting and election
1576 procedures; amendments.—

1577 (9) ELECTIONS AND BOARD VACANCIES.—



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1578 (a) Elections of directors must be conducted in accordance
1579 with the procedures set forth in the governing documents of the
1580 association. Except as provided in paragraph (b), all members of
1581 the association are eligible to serve on the board of directors,
1582 and a member may nominate himself or herself as a candidate for
1583 the board at a meeting where the election is to be held;
1584 provided, however, that if the election process allows
1585 candidates to be nominated in advance of the meeting, the
1586 association is not required to allow nominations at the meeting.
1587 An election is not required unless more candidates are nominated
1588 than vacancies exist. If an election is not required because
1589 there are either an equal number or fewer qualified candidates
1590 than vacancies exist, and if nominations from the floor are not
1591 required pursuant to this section or the bylaws, write-in
1592 nominations are not permitted, and such candidates shall
1593 commence service on the board of directors, regardless of
1594 whether a quorum is attained at the annual meeting. Except as
1595 otherwise provided in the governing documents, boards of
1596 directors must be elected by a plurality of the votes cast by
1597 eligible voters. Any challenge to the election process must be
1598 commenced within 60 days after the election results are
1599 announced.

1600 Section 14. Paragraph (b) of subsection (3) of section
1601 720.3085, Florida Statutes, is amended to read:

1602 720.3085 Payment for assessments; lien claims.—

1603 (3) Assessments and installments on assessments that are
1604 not paid when due bear interest from the due date until paid at
1605 the rate provided in the declaration of covenants or the bylaws
1606 of the association, which rate may not exceed the rate allowed



1607 by law. If no rate is provided in the declaration or bylaws,
1608 interest accrues at the rate of 18 percent per year.

1609 (b) Any payment received by an association and accepted
1610 shall be applied first to any interest accrued, then to any
1611 administrative late fee, then to any costs and reasonable
1612 attorney fees incurred in collection, and then to the delinquent
1613 assessment. This paragraph applies notwithstanding any
1614 restrictive endorsement, designation, or instruction placed on
1615 or accompanying a payment. A late fee is not subject to the
1616 provisions of chapter 687 and is not a fine. The foregoing is
1617 applicable notwithstanding s. 673.3111, any purported accord and
1618 satisfaction, or any restrictive endorsement, designation, or
1619 instruction placed on or accompanying a payment. The preceding
1620 sentence is intended to clarify existing law.

1621 Section 15. This act shall take effect July 1, 2017.

1622
1623 ===== T I T L E A M E N D M E N T =====

1624 And the title is amended as follows:

1625 Delete everything before the enacting clause
1626 and insert:

1627 A bill to be entitled

1628 An act relating to community associations; creating s.
1629 633.2225, F.S.; requiring certain condominium or
1630 cooperative associations to post certain signs or
1631 symbols on buildings; requiring the State Fire Marshal
1632 to adopt rules governing such signs or symbols;
1633 providing enforcement; providing penalties; amending
1634 s. 718.111, F.S.; prohibiting an officer, director, or
1635 manager from soliciting, offering to accept, or



1636 accepting a kickback for which consideration has not
1637 been provided; providing criminal penalties; requiring
1638 that an officer or director charged with certain
1639 crimes be removed from office; providing requirements
1640 for filling the vacancy left by such removal;
1641 prohibiting such officer or director from being
1642 appointed or elected or having access to official
1643 condominium association records for a specified time;
1644 providing an exception; requiring an officer or
1645 director to be reinstated if the charges are resolved
1646 without a finding of guilt; prohibiting an association
1647 from hiring an attorney who represents the management
1648 company of the association; prohibiting a board
1649 member, manager, or management company from purchasing
1650 a unit at a foreclosure sale under certain
1651 circumstances; revising recordkeeping requirements;
1652 providing that the official records of an association
1653 are open to inspection by an association member's
1654 authorized representative; providing that a renter of
1655 a unit has a right to inspect and copy the
1656 association's bylaws and rules; providing requirements
1657 relating to the posting of specified documents on an
1658 association's website; providing a remedy for an
1659 association's failure to provide a unit owner with a
1660 copy of the most recent financial report; revising
1661 reporting requirements; requiring the Division of
1662 Florida Condominiums, Timeshares, and Mobile Homes to
1663 maintain and provide copies of financial reports;
1664 prohibiting a condominium association and its



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1665 officers, directors, employees, and agents from using
1666 a debit card issued in the name of the association, or
1667 billed directly to the association, for the payment of
1668 any association expense; providing that the use of
1669 such debit card for any expense that is not a lawful
1670 obligation of the association may be prosecuted as
1671 credit card fraud; amending s. 718.112, F.S. ;
1672 authorizing an association to adopt rules for posting
1673 certain notices on a website; revising provisions
1674 relating to required condominium and cooperative
1675 association bylaws; revising provisions relating to
1676 evidence of condominium and cooperative association
1677 compliance with the fire and life safety code;
1678 revising unit and common elements required to be
1679 retrofitted; revising provisions relating to an
1680 association vote to forego retrofitting; providing
1681 applicability; amending s. 718.113, F.S. ; revising
1682 voting requirements relating to alterations and
1683 additions to certain common elements or association
1684 property; amending s. 718.117, F.S. ; revising
1685 legislative findings; revising voting requirements for
1686 the rejection of a plan of termination; increasing the
1687 length of time to consider a plan of termination under
1688 certain conditions; revising the requirements to
1689 qualify for payment as a homestead owner if the owner
1690 has rejected a plan of termination; revising and
1691 providing notice requirements; providing
1692 applicability; amending s. 718.707, F.S. ; revising the
1693 time period for classification as bulk assignee or



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1694 bulk buyer; amending s. 719.104, F.S.; revising
1695 recordkeeping and reporting requirements; amending s.
1696 719.1055, F.S.; revising provisions relating to
1697 required condominium and cooperative association
1698 bylaws; revising provisions relating to evidence of
1699 condominium and cooperative association compliance
1700 with the fire and life safety code; revising unit and
1701 common elements required to be retrofitted; revising
1702 provisions relating to an association vote to forego
1703 retrofitting; providing applicability; amending s.
1704 719.106, F.S.; revising requirements to serve as a
1705 board member; prohibiting a board member from voting
1706 via e-mail; requiring that directors who are
1707 delinquent in certain payments owed in excess of
1708 certain periods of time be deemed to have abandoned
1709 their offices; authorizing an association to adopt
1710 rules for posting certain notices on a website;
1711 amending s. 719.107, F.S.; specifying certain services
1712 that are obtained pursuant to a bulk contract to be
1713 deemed a common expense; amending s. 720.303, F.S.;
1714 prohibiting a board member from voting via e-mail;
1715 revising certain notice requirements relating to board
1716 meetings; revising financial reporting requirements;
1717 authorizing an association to adopt rules for posting
1718 certain notices on a website; amending s. 720.306,
1719 F.S.; revising elections requirements; amending s.
1720 720.3085, F.S.; providing applicability; providing an
1721 effective date.