A bill to be entitled
An act relating to community associations; creating s. 633.2225, F.S.; requiring certain condominium or cooperative associations to post certain signs or symbols on buildings; requiring the State Fire Marshal to adopt rules governing such signs or symbols; providing enforcement; providing penalties; amending s. 718.111, F.S.; prohibiting an officer, director, or manager from soliciting, offering to accept, or accepting a kickback for which consideration has not been provided; providing criminal penalties; requiring that an officer or director charged with certain crimes be removed from office; providing requirements for filling the vacancy left by such removal; prohibiting such officer or director from being appointed or elected or having access to official condominium association records for a specified time; providing an exception; requiring an officer or director to be reinstated if the charges are resolved without a finding of guilt; prohibiting an association from hiring an attorney who represents the management company of the association; prohibiting a board member, manager, or management company from purchasing a unit at a foreclosure sale under certain circumstances; revising recordkeeping requirements; providing that the official records of an association are open to inspection by an association member’s authorized representative; providing that a renter of a unit has a right to inspect and copy the
association’s bylaws and rules; providing requirements relating to the posting of specified documents on an association’s website; providing a remedy for an association’s failure to provide a unit owner with a copy of the most recent financial report; revising reporting requirements; requiring the Division of Florida Condominiums, Timeshares, and Mobile Homes to maintain and provide copies of financial reports; prohibiting a condominium association and its officers, directors, employees, and agents from using a debit card issued in the name of the association, or billed directly to the association, for the payment of any association expense; providing that the use of such debit card for any expense that is not a lawful obligation of the association may be prosecuted as credit card fraud; amending s. 718.112, F.S.; authorizing an association to adopt rules for posting certain notices on a website; revising provisions relating to required condominium and cooperative association bylaws; revising provisions relating to evidence of condominium and cooperative association compliance with the fire and life safety code; revising unit and common elements required to be retrofitted; revising provisions relating to an association vote to forego retrofitting; providing applicability; amending s. 718.113, F.S.; revising voting requirements relating to alterations and additions to certain common elements or association property; amending s. 718.117, F.S.; revising
legislative findings; revising voting requirements for
the rejection of a plan of termination; increasing the
length of time to consider a plan of termination under
certain conditions; revising the requirements to
qualify for payment as a homestead owner if the owner
has rejected a plan of termination; revising and
providing notice requirements; providing
applicability; amending s. 718.707, F.S.; revising the
time period for classification as bulk assignee or
bulk buyer; amending s. 719.104, F.S.; revising
recordkeeping and reporting requirements; amending s.
719.1055, F.S.; revising provisions relating to
required condominium and cooperative association
bylaws; revising provisions relating to evidence of
condominium and cooperative association compliance
with the fire and life safety code; revising unit and
common elements required to be retrofitted; revising
provisions relating to an association vote to forego
retrofitting; providing applicability; amending s.
719.106, F.S.; revising requirements to serve as a
board member; prohibiting a board member from voting
via e-mail; requiring that directors who are
delinquent in certain payments owed in excess of
certain periods of time be deemed to have abandoned
their offices; authorizing an association to adopt
rules for posting certain notices on a website;
amending s. 719.107, F.S.; specifying certain services
that are obtained pursuant to a bulk contract to be
deemed a common expense; amending s. 720.303, F.S.;
prohibiting a board member from voting via e-mail; revising certain notice requirements relating to board meetings; revising financial reporting requirements; authorizing an association to adopt rules for posting certain notices on a website; amending s. 720.306, F.S.; revising elections requirements; amending s. 720.3085, F.S.; providing applicability; providing an effective date.

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

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

(2) The State Fire Marshal shall:

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

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

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

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

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

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

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

718.111 The association.—

(1) CORPORATE ENTITY.—

(a) The operation of the condominium shall be by the association, which must be a Florida corporation for profit or a Florida corporation not for profit. However, any association which was in existence on January 1, 1977, need not be incorporated. The owners of units shall be shareholders or members of the association. The officers and directors of the association have a fiduciary relationship to the unit owners. It is the intent of the Legislature that nothing in this paragraph shall be construed as providing for or removing a requirement of a fiduciary relationship between any manager employed by the association and the unit owners. An officer, director, or manager may not solicit, offer to accept, or accept any thing or service of value or kickback for which consideration has not been provided for his or her own benefit or that of his or her
immediate family, from any person providing or proposing to provide goods or services to the association. Any such officer, director, or manager who knowingly so solicits, offers to accept, or accepts any thing or service of value or kickback is subject to a civil penalty pursuant to s. 718.501(1)(d) and, if applicable, a criminal penalty as provided in paragraph (d). However, this paragraph does not prohibit an officer, director, or manager from accepting services or items received in connection with trade fairs or education programs. An association may operate more than one condominium.

(d) As required by s. 617.0830, an officer, director, or agent shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the interests of the association. An officer, director, or agent shall be liable for monetary damages as provided in s. 617.0834 if such officer, director, or agent breached or failed to perform his or her duties and the breach of, or failure to perform, his or her duties constitutes a violation of criminal law as provided in s. 617.0834; constitutes a transaction from which the officer or director derived an improper personal benefit, either directly or indirectly; or constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. Forgery of a ballot envelope or voting certificate used in a condominium association election is punishable as provided in s. 831.01, the theft or embezzlement of funds of a condominium association is punishable as provided in s. 812.014,
and the destruction of or the refusal to allow inspection or
copying of an official record of a condominium association which
is accessible to unit owners within the timeframe required by
general law in furtherance of any crime is punishable as
tampering with physical evidence as provided in s. 918.13 or as
obstruction of justice as provided in chapter 843. An officer or
director charged by information or indictment with a crime
referenced in this paragraph must be removed from office, and
the vacancy shall be filled as provided in s. 718.112(2)(d)2.
until the end of the officer’s or director’s period of
suspension or the end of his or her term of office, whichever
occurs first. If a criminal charge is pending against the
officer or director, he or she may not be appointed or elected
to a position as an officer or a director of any association and
may not have access to the official records of any association,
extcept pursuant to a court order. However, if the charges are
resolved without a finding of guilt, the officer or director
must be reinstated for the remainder of his or her term of
office, if any.

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

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

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

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

(12) OFFICIAL RECORDS.—
(a) From the inception of the association, the association
shall maintain each of the following items, if applicable, which
constitutes the official records of the association:

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

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

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

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

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

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

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

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

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

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

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

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

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

c. All audits, reviews, accounting statements, and
financial reports of the association or condominium.
d. All contracts for work to be performed. Bids for work to be performed are also considered official records and must be maintained by the association.

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

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

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

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

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

17. Bids for materials, equipment, or services.

(b) The official records of the association must be maintained within the state for at least 7 years. The records of the association shall be made available to a unit owner within 45 miles of the condominium property or within the county in which the condominium property is located within 10 working days after receipt of a written request by the board or its designee. However, such distance requirement does not apply to an association governing a timeshare condominium. This paragraph may be complied with by having a copy of the official records of the association available for inspection or copying on the condominium property or association property, or the association
paragraph.  

(c)1. The official records of the association are open to inspection by any association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the member or authorized representative of such member. A renter of a unit has a right to inspect and copy the association’s bylaws and rules. The association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying. The failure of an association to provide the records within 10 working days after receipt of a written request creates a rebuttable presumption that the association willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or minimum damages for the association’s willful failure to comply. Minimum damages are $50 per calendar day for up to 10 days, beginning on the 11th working day after receipt of the written request. The failure to permit inspection entitles any person prevailing in an enforcement action to recover reasonable attorney fees from the person in control of
the records who, directly or indirectly, knowingly denied access

to the records.

2. Any person who knowingly or intentionally defaces or

destroys accounting records that are required by this chapter to

be maintained during the period for which such records are

required to be maintained, or who knowingly or intentionally

fails to create or maintain accounting records that are required

to be created or maintained, with the intent of causing harm to

the association or one or more of its members, is personally

subject to a civil penalty pursuant to s. 718.501(1)(d).

3. The association shall maintain an adequate number of

copies of the declaration, articles of incorporation, bylaws,

and rules, and all amendments to each of the foregoing, as well

as the question and answer sheet as described in s. 718.504 and

year-end financial information required under this section, on

the condominium property to ensure their availability to unit

owners and prospective purchasers, and may charge its actual

costs for preparing and furnishing these documents to those

requesting the documents. An association shall allow a member or

his or her authorized representative to use a portable device,

including a smartphone, tablet, portable scanner, or any other

technology capable of scanning or taking photographs, to make an

electronic copy of the official records in lieu of the

association’s providing the member or his or her authorized

representative with a copy of such records. The association may

not charge a member or his or her authorized representative for

the use of a portable device. Notwithstanding this paragraph,

the following records are not accessible to unit owners:

   a. Any record protected by the lawyer-client privilege as
described in s. 90.502 and any record protected by the work-
product privilege, including a record prepared by an association
attorney or prepared at the attorney’s express direction, which
reflects a mental impression, conclusion, litigation strategy,
or legal theory of the attorney or the association, and which
was prepared exclusively for civil or criminal litigation or for
adversarial administrative proceedings, or which was prepared in
anticipation of such litigation or proceedings until the
conclusion of the litigation or proceedings.

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

c. Personnel records of association or management company
employees, including, but not limited to, disciplinary, payroll,
health, and insurance records. For purposes of this sub-
subparagraph, the term “personnel records” does not
include written employment agreements with an association
employee or management company, or budgetary or financial
records that indicate the compensation paid to an association
employee.

d. Medical records of unit owners.

e. Social security numbers, driver license numbers,
credit card numbers, e-mail addresses, telephone numbers,
facsimile numbers, emergency contact information, addresses of a
unit owner other than as provided to fulfill the association’s
notice requirements, and other personal identifying information
of any person, excluding the person’s name, unit designation,
mailing address, property address, and any address, e-mail
address, or facsimile number provided to the association to
fulfill the association’s notice requirements. Notwithstanding the restrictions in this sub-subparagraph, an association may print and distribute to parcel owners a directory containing the name, parcel address, and all telephone numbers of each parcel owner. However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An owner may consent in writing to the disclosure of other contact information described in this sub-subparagraph. The association is not liable for the inadvertent disclosure of information that is protected under this sub-subparagraph if the information is included in an official record of the association and is voluntarily provided by an owner and not requested by the association.

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

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

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

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

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

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

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

   a. The association’s website must be:
       (I) An independent website or web portal wholly owned and operated by the association; or
       (II) A website or web portal operated by a third-party provider with whom the association owns, leases, rents, or otherwise obtains the right to operate a web page, subpage, web portal, or collection of subpages or web portals dedicated to
the association’s activities and on which required notices, records, and documents may be posted by the association.

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

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

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

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

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

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

d. The rules of the association.

e. Any management agreement, lease, or other contract to which the association is a party or under which the association or the unit owners have an obligation or responsibility.

Summaries of bids for materials, equipment, or services must be
maintained on the website for 1 year.

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

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

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

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

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

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

l. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice pursuant to s. 718.112(2)(c).
3. The association shall ensure that the information and records described in paragraph (c) which are not permitted to be accessible to unit owners are not posted on the association’s website. If protected information or information restricted from being accessible to unit owners is included in documents that are required to be posted on the association’s website, the association shall ensure the information is redacted before posting the documents online.

(13) FINANCIAL REPORTING.—Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the association or received from the third party, but not later than 120 days after the end of the fiscal year or other date as provided in the bylaws, the association shall mail to each unit owner at the address last furnished to the association by the unit owner, or hand deliver to each unit owner, a copy of the most recent financial report or a notice that a copy of the most recent financial report will be mailed or hand delivered to the unit owner, without charge, within 5 business days after upon receipt of a written request from the unit owner. The division shall adopt rules setting forth uniform accounting principles and standards to be used by all associations and addressing the financial reporting requirements for multicondominium associations. The rules must include, but not be limited to, standards for presenting a summary of association reserves, including a good faith estimate disclosing the annual amount of reserve funds that would be
necessary for the association to fully fund reserves for each reserve item based on the straight-line accounting method. This disclosure is not applicable to reserves funded via the pooling method. In adopting such rules, the division shall consider the number of members and annual revenues of an association. Financial reports shall be prepared as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Such meeting and approval must occur before the end of the fiscal year and is effective only for the fiscal year in which the vote is taken, except that the approval may also be effective for the following fiscal year. If the developer has not turned over control of the association, all unit owners, including the developer, may vote on issues related to the preparation of the association’s financial reports, from the date of incorporation of the association through the end of the second fiscal year after the fiscal year in which the certificate of a surveyor and mapper is recorded pursuant to s. 718.104(4)(e) or an instrument that transfers title to a unit in the condominium which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit is recorded, whichever occurs first. Thereafter, all unit owners except the developer may vote on such issues until control is turned over to the association by the developer. Any audit or review prepared under this section shall be paid for by the developer if done before turnover of control of the association. An association may not waive the financial reporting requirements of this section for more than 3 consecutive years.

(e) A unit owner may provide written notice to the division of the association’s failure to mail or hand deliver to him or her a copy of the most recent financial report within 5 business days after he or she submitted a written request to the association for a copy of such report. If the division determines that the association failed to mail or hand deliver a
copy of the most recent financial report to the unit owner, the division shall provide written notice to the association that the association must mail or hand deliver a copy of the most recent financial report to the unit owner and the division within 5 business days after it receives such notice from the division. An association that fails to comply with the division’s request may not waive the financial reporting requirement provided in paragraph (d). A financial report received by the division pursuant to this paragraph shall be maintained, and the division shall provide a copy of such report to an association member upon his or her request.

(15) DEBIT CARDS.—

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

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

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

718.112 Bylaws.—

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

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

1. Adequate notice of all board meetings, which must specifically identify all agenda items, must be posted conspicuously on the condominium property at least 48 continuous hours before the meeting except in an emergency. If 20 percent of the voting interests petition the board to address an item of business, the board, within 60 days after receipt of the petition, shall place the item on the agenda at its next regular board meeting or at a special meeting called for that purpose. An item not included on the notice may be taken up on an emergency basis by a vote of at least a majority plus one of the board members. Such emergency action must be noticed and ratified at the next regular board meeting. Notice of any meeting in which a regular or special assessment against unit owners is to be considered must specifically state that assessments will be considered and provide the estimated amount and a description of the purposes for such assessments. However, written notice of a meeting at which a nonemergency special assessment or an amendment to rules regarding unit use will be considered must be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the
condominium property at least 14 days before the meeting.

Evidence of compliance with this 14-day notice requirement must be made by an affidavit executed by the person providing the notice and filed with the official records of the association.

Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium or association property where all notices of board meetings must be posted. If there is no condominium property or association property where notices can be posted, notices shall be mailed, delivered, or electronically transmitted to each unit owner at least 14 days before the meeting. In lieu of or in addition to the physical posting of the notice on the condominium property, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a notice physically posted on condominium property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. In addition to any of the authorized means of providing notice of a meeting of the board, the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a website serving the condominium association for at least the minimum period for which a notice of a meeting is required to be posted.
physically posted on the condominium property. Any rule adopted must, in addition to other matters, include a requirement that the association send an electronic notice in the same manner as required for a notice for a meeting of the members, which must include a hypertext link to the website where the notice is posted, to unit owners whose e-mail addresses are included in the association’s official records. Notice of any meeting in which regular or special assessments against unit owners are to be considered must specifically state that assessments will be considered and provide the nature, estimated cost, and description of the purposes for such assessments.

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

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

   a. Meetings between the board or a committee and the association’s attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or
   
   b. Board meetings held for the purpose of discussing personnel matters.

   (1) Certificate of compliance.—A provision that a certificate of compliance from a licensed electrical contractor,
or electrician, or professional engineer may be accepted by the
association’s board as evidence of compliance of the condominium
units with the applicable fire and life safety code must be
included. Notwithstanding chapter 633 or of any other code,
statute, ordinance, administrative rule, or regulation, or any
interpretation of the foregoing, an association, residential
condominium, or unit owner is not obligated to retrofit the
common elements, association property, or units of a residential
condominium with a fire sprinkler system or other engineered
lifesafety system in a building that is 75 feet or less in
height. There is no obligation to retrofit for a building
greater than 75 feet in height, calculated from the lowest level
of fire department vehicle access to the floor of the highest
occupiable story, has been certified for occupancy by the
applicable governmental entity if the unit owners have voted to
forego such retrofitting by the affirmative vote of two-thirds a
majority of all voting interests in the affected condominium.
There is no requirement that owners in condominiums of 75 feet
or less conduct an opt-out vote, and such condominiums are
exempt from fire sprinkler or other engineered lifesafety
retrofitting. The preceding sentence is intended to clarify
existing law. The local authority having jurisdiction may not
require completion of retrofitting with a fire sprinkler system
or other engineered lifesafety system before January 1, 2022
2020. By December 31, 2018 2016, an a residential condominium
association that operates a residential condominium that is not
in compliance with the requirements for a fire sprinkler system
or other engineered lifesafety system and has not voted to
forego retrofitting of such a system must initiate an
application for a building permit for the required installation
with the local government having jurisdiction demonstrating that
the association will become compliant by December 31, 2021.

1. A vote to forego **required** retrofitting may be obtained
by limited proxy or by a ballot personally cast at a duly called
membership meeting, or by execution of a written consent by the
member, or by **electronic voting**, and is effective upon recording
a certificate **executed** by an officer or agent of the association
attesting to such vote in the public records of the county where
the condominium is located. When an **opt-out** vote is to be
conducted at a meeting, the association shall mail or **hand**
deliver to each unit owner written notice at least 14 days
before the membership meeting in which the vote to forego
retrofitting of the required fire sprinkler system or other
**engineered lifesafety system** is to take place. Within 30 days
after the association’s opt-out vote, notice of the results of
the opt-out vote must be mailed or **hand** delivered to all unit
owners. Evidence of compliance with this notice requirement must
be made by affidavit executed by the person providing the notice
and filed among the official records of the association. **Failure**
to provide timely notice to unit owners does not invalidate an
**otherwise valid opt-out vote** if notice of the results is
provided to the owners. After notice is provided to each owner,
a copy must be provided by the current owner to a new owner
before closing and by a unit owner to a renter before signing a
lease.

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

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

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

5. This paragraph does not apply to timeshare condominium associations, which shall be governed by s. 721.24.
(2)(a) Except as otherwise provided in this section, there shall be no material alteration or substantial additions to the common elements or to real property which is association property, except in a manner provided in the declaration as originally recorded or as amended under the procedures provided therein. If the declaration as originally recorded or as amended under the procedures provided therein does not specify the procedure for approval of material alterations or substantial additions, 75 percent of the total voting interests of the association must approve the alterations or additions before the material alterations or substantial additions are commenced.

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

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

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

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

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

718.117 Termination of condominium.—
(1) LEGISLATIVE FINDINGS.—The Legislature finds that:
   (a) Condominiums are created as authorized by statute and
   are subject to covenants that encumber the land and restrict the
   use of real property.
   (b) In some circumstances, the continued enforcement of
those covenants that may create economic waste or areas of
disrepair which threaten the safety and welfare of the public, or cause obsolescence of the condominium property for its intended use and thereby lower property tax values, and the Legislature further finds that it is the public policy of this state to provide by statute a method to preserve the value of the property interests and the rights of alienation thereof that owners have in the condominium property before and after termination.

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

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

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

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

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

4. Protect state residents from health and safety hazards created by derelict, damaged, obsolete, or abandoned condominium properties.
5. Provide for fair treatment and just compensation for individuals, preserve property values, and preserve the local property tax base.

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

(3) OPTIONAL TERMINATION. Except as provided in subsection (2) or unless the declaration provides for a lower percentage, The condominium form of ownership may be terminated for all or a portion of the condominium property pursuant to a plan of termination meeting the requirements of this section and approved by the division. Before a residential association submits a plan to the division, the plan must be approved by at least 80 percent of the total voting interests of the condominium. However, if 5 to 10 percent or more of the total voting interests of the condominium have rejected the plan of termination by negative vote or by providing written objections, the plan of termination may not proceed.

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

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

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

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

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

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

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

3. For their respective units, all unit owners other than
the bulk owner must be compensated at least 100 percent of the
fair market value of their units. The fair market value shall be
determined as of a date that is no earlier than 90 days before
the date that the plan of termination is recorded and shall be
determined by an independent appraiser selected by the
termination trustee. For a person an original purchaser from the
developer who rejects the plan of termination and whose unit was
granted homestead exemption status by the applicable county
property appraiser, or was an owner-occupied operating business,
as of the date that the plan of termination is recorded and who
is current in payment of both assessments and other monetary
obligations to the association and any mortgage encumbering the unit as of the date the plan of termination is recorded, the fair market value for the unit owner rejecting the plan shall be at least the original purchase price paid for the unit. For purposes of this subparagraph, the term “fair market value” means the price of a unit that a seller is willing to accept and a buyer is willing to pay on the open market in an arms-length transaction based on similar units sold in other condominiums, including units sold in bulk purchases but excluding units sold at wholesale or distressed prices. The purchase price of units acquired in bulk following a bankruptcy or foreclosure shall not be considered for purposes of determining fair market value.

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

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

a. The identity of any person or entity that owns or controls 25-50 percent or more of the units in the condominium
and, if the units are owned by an artificial entity or entities, a disclosure of the natural person or persons who, directly or indirectly, manage or control the entity or entities and the natural person or persons who, directly or indirectly, own or control 10 percent or more of the artificial entity or entities that constitute the bulk owner.

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

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

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

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

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

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

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

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

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

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

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

(2) OFFICIAL RECORDS.—

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

1. The plans, permits, warranties, and other items provided by the developer pursuant to s. 719.301(4).
2. A photocopy of the cooperative documents.
3. A copy of the current rules of the association.
4. A book or books containing the minutes of all meetings of the association, of the board of directors, and of the unit
owners, which minutes shall be retained for a period of not less
than 7 years.

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

6. All current insurance policies of the association.

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

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

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

a. Accurate, itemized, and detailed records of all receipts
and expenditures.
b. A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.

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

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

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

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

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

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

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

(4) FINANCIAL REPORT.—

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

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

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

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

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

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

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

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

Section 9. Subsection (5) of section 719.1055, Florida
1219 Statutes, is amended to read:
1220 719.1055 Amendment of cooperative documents; alteration and
1221 acquisition of property.—
1222 (5) The bylaws must include a provision whereby a
1223 certificate of compliance from a licensed electrical contractor, or
electrician, or professional engineer may be accepted by the
association’s board as evidence of compliance of the cooperative
units with the applicable fire and life safety code.
1224 (a)1. Notwithstanding chapter 633 or any other code,
statute, ordinance, administrative rule, or regulation, or any
interpretation of the foregoing, an association a cooperative or
unit owner is not obligated to retrofit the common elements or
units of a residential cooperative with a fire sprinkler system
or other engineered lifesafety system in a building that is 75
feet or less in height. There is no obligation to retrofit for a
building greater than 75 feet in height, calculated from the
lowest level of fire department vehicle access to the floor of
the highest occupiable story, has been certified for occupancy
by the applicable governmental entity if the unit owners have
voted to forego such retrofitting by the affirmative vote of
two-thirds a majority of all voting interests in the affected
cooperative. There is no requirement that owners in cooperatives
of 75 feet or less conduct an opt-out vote, and such
cooperatives are exempt from fire sprinkler or other engineered
life safety retrofitting. The preceding sentence is intended to
clarify existing law. The local authority having jurisdiction
may not require completion of retrofitting with a fire sprinkler
system or other engineered life safety system before January 1,
2022 the end of 2019. By December 31, 2018 2016, a cooperative
that is not in compliance with the requirements for a fire sprinkler system or other engineered lifesafety system and has not voted to forego retrofitting of such a system must initiate an application for a building permit for the required installation with the local government having jurisdiction demonstrating that the cooperative will become compliant by December 31, 2021.

2. A vote to forego required retrofitting may be obtained by limited proxy or by a ballot personally cast at a duly called membership meeting, or by execution of a written consent by the member, or by electronic voting, and is effective upon recording a certificate executed by an officer or agent of the association attesting to such vote in the public records of the county where the cooperative is located. When the opt-out vote is to be conducted at a meeting, the cooperative shall mail or hand deliver to each unit owner written notice at least 14 days before the membership meeting in which the vote to forego retrofitting of the required fire sprinkler system or other engineered lifesafety system is to take place. Within 30 days after the cooperative’s opt-out vote, notice of the results of the opt-out vote must be mailed or hand delivered to all unit owners. Evidence of compliance with this notice requirement must be made by affidavit executed by the person providing the notice and filed among the official records of the cooperative. Failure to provide timely notice to unit owners does not invalidate an otherwise valid opt-out vote if notice of the results is provided to the owners. After notice is provided to each owner, a copy must be provided by the current owner to a new owner before closing and by a unit owner to a renter before signing a
lease.

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

(c) As part of the information collected annually from cooperatives, the division shall require associations to report the membership vote and recording of a certificate under this subsection and, if retrofitting has been undertaken, the per-unit cost of such work. The division shall annually report to the Division of State Fire Marshal of the Department of Financial Services the number of cooperatives that have elected to forego retrofitting. Compliance with this administrative reporting requirement does not affect the validity of an opt-out vote.

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

719.106 Bylaws; cooperative ownership.—

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

(a) Administration.—

1. The form of administration of the association shall be described, indicating the titles of the officers and board of administration and specifying the powers, duties, manner of selection and removal, and compensation, if any, of officers and board members. In the absence of such a provision, the board of administration shall be composed of five members, except in the case of cooperatives having five or fewer units, in which case in not-for-profit corporations, the board shall consist of not fewer than three members. In a residential cooperative association of more than 10 units, coowners of a unit may not serve as members of the board of directors at the same time unless the coowners own more than one unit or unless there are not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. In the absence of provisions to the contrary, the board of administration shall have a president, a secretary, and a treasurer, who shall perform the duties of those offices customarily performed by officers of corporations. Unless prohibited in the bylaws, the board of administration may appoint other officers and grant them those duties it deems appropriate. Unless otherwise provided in the bylaws, the officers shall serve without compensation and at the pleasure of the board. Unless otherwise provided in the bylaws, the members of the board shall serve without compensation.

2. A person who has been suspended or removed by the division under this chapter, or who is delinquent in the payment of any monetary obligation due to the association, is not eligible to be a candidate for board membership and may not be
listed on the ballot. A director or officer charged by
information or indictment with a felony theft or embezzlement
offense involving the association’s funds or property is
suspended from office. The board shall fill the vacancy
according to general law until the end of the period of the
suspension or the end of the director’s term of office,
whichever occurs first. However, if the charges are resolved
without a finding of guilt or without acceptance of a plea of
guilty or nolo contendere, the director or officer shall be
reinstated for any remainder of his or her term of office. A
member who has such criminal charges pending may not be
appointed or elected to a position as a director or officer. A
person who has been convicted of any felony in this state or in
any United States District Court, or who has been convicted of
any offense in another jurisdiction which would be considered a
felony if committed in this state, is not eligible for board
membership unless such felon’s civil rights have been restored
for at least 5 years as of the date such person seeks election
to the board. The validity of an action by the board is not
affected if it is later determined that a board member is
ineligible for board membership due to having been convicted of
a felony.

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

(c) Board of administration meetings.—Members of the board
of administration may use e-mail as a means of communication but
may not cast a vote on an association matter via e-mail.
Meetings of the board of administration at which a quorum of the
members is present shall be open to all unit owners. Any unit
owner may tape record or videotape meetings of the board of
administration. The right to attend such meetings includes the
right to speak at such meetings with reference to all designated
agenda items. The division shall adopt reasonable rules
governing the tape recording and videotaping of the meeting. The
association may adopt reasonable written rules governing the
frequency, duration, and manner of unit owner statements.
Adequate notice of all meetings shall be posted in a conspicuous
place upon the cooperative property at least 48 continuous hours preceding the meeting, except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the board. Such emergency action shall be noticed and ratified at the next regular meeting of the board. Notice of any meeting in which regular or special assessments against unit owners are to be considered must specifically state that assessments will be considered and provide the estimated amount and description of the purposes for such assessments. However, written notice of any meeting at which nonemergency special assessments, or at which amendment to rules regarding unit use, will be considered shall be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the cooperative property not less than 14 days before the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the person providing the notice and filed among the official records of the association. Upon notice to the unit owners, the board shall by duly adopted rule designate a specific location on the cooperative property upon which all notices of board meetings shall be posted. In lieu of or in addition to the physical posting of notice of any meeting of the board of administration on the cooperative property, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the cooperative association. However, if broadcast notice is used in lieu of a notice posted physically on the cooperative property, the notice and agenda must be broadcast at least four times every broadcast.
hour of each day that a posted notice is otherwise required under this section. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. In addition to any of the authorized means of providing notice of a meeting of the board, the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a website serving the cooperative association for at least the minimum period for which a notice of a meeting is required to be physically posted on the cooperative property. Any rule adopted must, in addition to other matters, include a requirement that the association send an electronic notice in the same manner as required for a notice for a meeting of the members, which must include a hypertext link to the website where the notice is posted, to unit owners whose e-mail addresses are included in the association’s official records. Notice of any meeting in which regular assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. Meetings of a committee to take final action on behalf of the board or to make recommendations to the board regarding the association budget are subject to the provisions of this paragraph. Meetings of a committee that does not take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to the provisions of this section, unless those meetings are exempted from this section by the bylaws of the association.

CODING: Words struck are deletions; words underlined are additions.
Notwithstanding any other law to the contrary, the requirement that board meetings and committee meetings be open to the unit owners does not apply to board or committee meetings held for the purpose of discussing personnel matters or meetings between the board or a committee and the association’s attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice.

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

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

719.107 Common expenses; assessment.—

(1)

(b) If so provided in the bylaws, the cost of communications services as defined in chapter 202, information services, or Internet services a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract shall be deemed a common expense, and if not obtained pursuant to a bulk contract, such cost shall be considered common expense if it is designated as such in a written contract between the board of administration and the company providing the communications services as defined in chapter 202, information services, or Internet services master television antenna system or the cable television service. The contract shall be for a term of not less than 2 years.

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

2. Any such contract shall provide, and shall be deemed to
provide if not expressly set forth, that any hearing impaired or
legally blind unit owner who does not occupy the unit with a
nonhearing impaired or sighted person may discontinue the
service without incurring disconnect fees, penalties, or
subsequent service charges, and as to such units, the owners
shall not be required to pay any common expenses charge related
to such service. If less than all members of an association
share the expenses of cable television, the expense shall be
shared equally by all participating unit owners. The association
may use the provisions of s. 719.108 to enforce payment of the
shares of such costs by the unit owners receiving cable
television.

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

720.303 Association powers and duties; meetings of board;
official records; budgets; financial reporting; association
funds; recalls.—
(2) BOARD MEETINGS.—

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

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

1. Notices of all board meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each board meeting must be mailed or delivered to each
member at least 7 days before the meeting, except in an
emergency. Notwithstanding this general notice requirement, for
communities with more than 100 members, the association bylaws
may provide for a reasonable alternative to posting or mailing
of notice for each board meeting, including publication of
notice, provision of a schedule of board meetings, or the
conspicuous posting and repeated broadcasting of the notice on a
closed-circuit cable television system serving the homeowners’
association. However, if broadcast notice is used in lieu of a
notice posted physically in the community, the notice must be
broadcast at least four times every broadcast hour of each day
that a posted notice is otherwise required. When broadcast
notice is provided, the notice and agenda must be broadcast in a
manner and for a sufficient continuous length of time so as to
allow an average reader to observe the notice and read and
comprehend the entire content of the notice and the agenda. In
addition to any of the authorized means of providing notice of a
meeting of the board, the association may, by rule, adopt a
procedure for conspicuously posting the meeting notice and the
agenda on a website serving the association for at least the
minimum period for which a notice of a meeting is required to be
physically posted on the association property. Any rule adopted
must, in addition to other matters, include a requirement that
the association send an electronic notice in the same manner as
required for a notice for a meeting of the members, which must
include a hypertext link to the website where the notice is
posted, to members who have provided an e-mail address to the
association for the purpose of receiving notice by electronic
transmission. The association may provide notice by electronic
transmission in a manner authorized by law for meetings of the board of directors, committee meetings requiring notice under this section, and annual and special meetings of the members; however, a member must consent in writing to receiving notice by electronic transmission.

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

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

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

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

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

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

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

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

2. An association in a community of fewer than 50 parcels, regardless of the association’s annual revenues, may prepare a report of cash receipts and expenditures in lieu of financial statements required by paragraph (a) unless the governing
2.3. A report of cash receipts and disbursement must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional, and management fees and expenses; taxes; costs for recreation facilities; expenses for refuse collection and utility services; expenses for lawn care; costs for building maintenance and repair; insurance costs; administration and salary expenses; and reserves if maintained by the association.

(c) If 20 percent of the parcel owners petition the board for a level of financial reporting higher than that required by this section, the association shall duly notice and hold a meeting of members within 30 days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the total voting interests of the parcel owners, the association shall prepare or cause to be prepared, shall amend the budget or adopt a special assessment to pay for the financial report regardless of any provision to the contrary in the governing documents, and shall provide within 90 days of the meeting or the end of the fiscal year, whichever occurs later:

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

2. Reviewed or audited financial statements, if the association is otherwise required to prepare compiled financial statements; or
3. Audited financial statements if the association is otherwise required to prepare reviewed financial statements.

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

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

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

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

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

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

(9) ELECTIONS AND BOARD VACANCIES.—

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

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

720.3085 Payment for assessments; lien claims.—

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

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

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